



भारत का राजपत्र

The Gazette of India

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० ३]
No. 3]

नई विल्ली, शनिवार, जनवरी १८, १९७५ (पौष २८, १८९६)

NEW DELHI, SATURDAY, JANUARY 18, 1975 (PAUSA 28, 1896)

इस भाग में विभिन्न पृष्ठ संख्या वी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate pagling is given to this Part in order that it may be filed as a separate compilation.

भाग III—खण्ड 4

PART III—SECTION 4

विविध मिकायों द्वारा जारी की गई विविध अधिसूचनायें जिसमें कि आवेदा, विज्ञापन और सूचनाएं सम्मिलित हैं

Miscellaneous Notifications including Notifications, Orders, Advertisements and Notices issued by Statutory Bodies

स्टेट बैंक आफ इंडिया

केन्द्रीय कार्यालय

बम्बई दिनांक 17 दिसम्बर 1974

सं०—इसके द्वारा बैंक के स्टाफ में की गई निम्नलिखित नियुक्ति की अधिसूचना दी जाती है:—

श्री जी० के० आलुवालिया ने दिनांक 7 दिसम्बर 1974 को कारोबार समाप्त होने की अवधि से हैदराबाद प्रमुख शाखा के मुख्य प्रबन्धक का पद भार ग्रहण किया है।

सं०—इसके द्वारा बैंक के स्टाफ में की गई निम्नलिखित नियुक्ति की अवधि की अधिसूचना दी जाती है:—

श्री एन० सी० वनर्जी ने दिनांक 11 दिसम्बर 1974 में अहमदाबाद मण्डल के स्थानापन्न महाप्रबन्धक (योजना) का पद भार ग्रहण किया है।

दिनांक 26 दिसम्बर 1974

सं०—इसके द्वारा बैंक के स्टाफ में की गई निम्नलिखित नियुक्ति की अधिसूचना दी जाती है:—

श्री एम० बी० सुब्रमण्यम् ने दिनांक 2 दिसम्बर 1974 को कारोबार समाप्त होने की अवधि से बंगलौर के स्थानापन्न मुख्य क्षेत्रीय प्रबन्धक का पद भार ग्रहण किया।

पी० सी० डी० नम्बिश्वार,
उप-प्रबन्ध निदेशक
(कार्मिक एवं मेवाएं)

बम्बई, दिनांक 16 दिसम्बर 1974

इसके द्वारा बैंक के स्टाफ में की गई निम्नलिखित नियुक्ति की अधिसूचना दी जाती है:—

श्री एस० एस० हालेपाटी को केन्द्रीय कार्यालय के स्टाफ में दिनांक 16 दिसम्बर 1974 से उप-ग्राम्य मिरीक्षक के पद पर नियुक्त किया गया है।

ए० बी० मजूमदार
उप-प्रबन्ध निदेशक (परिचालन)

स्टेट बैंक आफ बीकानेर एण्ड जयपुर

(स्टेट बैंक आफ इंडिया का सहायक)

सूचित किया जाता है कि स्टेट बैंक आफ बीकानेर एण्ड जयपुर के भागीदारों की चौदहवीं वार्षिक साधारण सभा की बैठक बैंक के प्रधान कार्यालय सवाई मान सिंह हाठवे, जयपुर में सोमवार, 24 फरवरी सन् 1975 को प्रातः साढ़े ग्यारह बजे (नियत समयानुसार) होगी, जिसमें बैंक की बैलेसेशनीट 31 दिसम्बर, 1974 को समाप्त होने वाले वर्ष के साम्बन्धीय हानि, बैंक के कार्य पर डायरेक्टरों की रिपोर्ट एवं बैलेसेशनीट श्रौर हिसाब के मम्बन्ध में आजिटर की रिपोर्ट पर विचार किया जावेगा।

वोई के आदेशानुसार
सत्य देव,
प्रबन्ध निदेशक

दि इंस्टीट्यूट आफ चार्टर्ड एकाउन्टेन्ट्स आफ इंडिया

नई दिल्ली, दिनांक 30 दिसम्बर 1974

(चार्टर्ड एकाउन्टेन्ट्स)

सं० 25-सीए (6) / 70—भारतीय राजपत्र दिनांक 23-11-1974 के भाग III खण्ड 4 में प्रकाशित पिछली अधिसूचना दिनांक 21 अक्टूबर, 1974 का प्रतिस्थापन करते हुए और चार्टर्ड एकाउन्टेन्ट्स रेगुलेशन 1964 के रेगुलेशन 16 के अनुसरण में एसद् द्वारा यह अधिसूचित किया जाता है कि श्री बसन्त विनायक-राव आपत, सर्वथी एस० बी० डॉडेकर एण्ड क०, चार्टर्ड एकाउन्टेन्ट्स, पी-36, इंडिया एक्सचैंच प्लेस, कलकत्ता (सदस्यता सं० 2643) को कलकत्ता के उच्चतम न्यायालय द्वारा व्यावसायिक दुराचार का दोषी पाये जाने और उच्चतम न्यायालय द्वारा 22 जनवरी, 1974 को यह आदेश देने कि उनका नाम इंस्टीट्यूट की सदस्यता से दो माह की अवधि के लिए हटा दिया जायें, तबनुसार इंस्टीट्यूट की कौसिल ने उनका नाम सदस्यता-रजिस्टर से दिनांक 21 अक्टूबर 1974 से दो माह की अवधि के लिए हटा दिया है।

टी० एस० ग्रेवाल,
कार्यकारी सचिव

नई दिल्ली-110001, दिनांक 31 दिसम्बर 1974

(चार्टर्ड एकाउन्टेन्ट्स)

सं० 1 सी० ए० (77)/74—चार्टर्ड एकाउन्टेन्ट्स रेगुलेशन्स, 1964 में किये जाने वाले निश्चित संशोधनों का निम्नांकित मसविदा जो चार्टर्ड एकाउन्टेन्ट्स एक्ट, 1949 (1949 का 38 वां एक्ट) के भाग 30 के उप-भाग (1) और (3) द्वारा प्रदत्त अधिकारों का प्रयोग करते हुए प्रस्तावित किया गया है और उसके द्वारा प्रभावित होने वाले समस्त व्यक्तियों की सूचनार्थ प्रकाशित किया जाता है और एसद् द्वारा सूचना दी जाती है कि मसविदे पर 10 फरवरी, 1975 को अथवा उसके पश्चात् विचार किया जायेगा।

उपर्युक्त मसविदे के संबंध में किसी भी व्यक्ति से निर्दिष्ट तिथि से पूर्व प्राप्त किसी भी आपत्ति अथवा सुझाव पर कौसिल आफ दि इंस्टीट्यूट आफ चार्टर्ड एकाउन्टेन्ट्स आफ इंडिया द्वारा विचार किया जायेगा।

उपर्युक्त रेगुलेशन में:—

1. शेष्यूल 'बी० बी०' में,

(ए० पैराग्राफ 1 में—“प्रबेश (एंट्रेन्स) परीक्षा में प्रबेश”—उपपैराग्राफ (ii) के बाद 'निम्नलिखित अनुबंध प्रथम अनुबंध के रूप में बढ़ा लें : “ब्याटें एक वाणिज्य स्नातक को प्रबेश परीक्षा के प्रश्न पत्र 1—“सेखे के मूल-तत्व” और प्रश्न पत्र 4—“सामान्य व्यावसायिक ज्ञान

और अर्थशास्त्र” में ब्याटें से छूट दे दी जाती है और उसके बाद के अनुबंध में शब्द ब्याटें के बाद शब्द “आगे” लगा लें।

(ब) पैराग्राफ 3 में, अंत में, शब्द “प्रश्न पत्र” शब्द के बाद निम्नलिखित शब्द बढ़ा लें:—

“उपर्युक्त पैराग्राफ 1 के अधीन जिसमें उसे ब्याटेना उपेक्षित है।”

2. शेष्यूल “बी० बी०” में,

पैराग्राफ 4 में—इंटरमीडिएट परीक्षा में प्रबेश-अंतिम अनुबंध के रूप में निम्नलिखित को जोड़ लें:—

“ब्याटें आगे यह भी कि एक अध्यर्थी जो अक्टूबर 1973 के प्रथम दिवस से पूर्व आर्टिकिल्ड अथवा आडिट सेवा में आया था और जिसने इस शेष्यूल के अधीन अपनी इंटरमीडिएट और अंतिम परीक्षाएँ चुनना पसन्द किया है और इस प्रकार का चुनाव 31 मार्च, 1975 से पूर्व कर लेता है, उसे इस शेष्यूल के अधीन इंटरमीडिएट परीक्षा में प्रबेश दे दिया जायेगा, यदि वह निम्नलिखित शर्त पूरा करता है:—

(i) कि इस शेष्यूल के अधीन वह आर्टिकिल्ड अथवा आडिट क्लर्क के रूप में नामांकन करने के योग्य है।

(ii) कि वह केवल एक बार ही विकल्प का प्रयोग करेगा और विकल्प चुनने के बाद वह अंतिम होगा,

(iii) कि इस शेष्यूल के अधीन वह इंटरमीडिएट और अंतिम दोनों परीक्षाओं को लेगा,

(iv) कि वह ऐसे अतिरिक्त शुल्क को श्रद्धा करेगा जो निर्धारित किया जाता है।”

टी० एस० ग्रेवाल, कार्यकारी सचिव

परमाणु ऊर्जा विभाग

सम्पदा प्रबंधन निदेशालय

बम्बई 400201, दिनांक 27 अगस्त 1974

ज्ञापन

सं० 2/17/70-प्रशासन—केन्द्रीय सिविल सेवा (अस्थायी सेवा) नियमावली, 1965 के नियम 5 के उपनियम (1) के अनुसार, मैं इस निदेशालय के अस्थायी चौकीदार, श्री लल्लू ठाकुर को एतद्वारा नोटिस देता हूं कि उन्हें इस नोटिस के दिए जाने की तारीख से एक महीने की अवधि की समाप्ति पर उनकी सेवा समाप्त हो जाएगी।

प्रार० एल० अद्वा
प्रशासन-अधिकारी

श्रम मंत्रालय
खान सुरक्षा महानिदेशालय
धनबाद- 826001, दिनांक 4 अक्टूबर 1974

सं० 16(9) 73-सामाच्य/19740—जबकि सुरक्षात्मक जूते या हॉल्मेट की आपूर्ति एवं अधिकार उन अधिक खान क्षेत्रों में नियोजित कर्मचारियों के लिये अनावश्यक समझा जाता है जहां अच्छे अधिक की ड्रेसिंग-सम्बन्धी परिचालना या अधिक विकल्प की तैयारी की जाती है, मैं, यथाम शिव प्रसाद, मुख्य खान निरीक्षक की हैसियत से, केन्द्रीय सरकार ने खान अधिनियम, 1952 के अनुभाग 83(2) के अन्तर्गत, अधिसूचना सं० एस-29014/3/71-एम०

STATE BANK OF INDIA
CENTRAL OFFICE
NOTICES

Bombay, the 17th December 1974

The following appointment on the Bank's staff is hereby notified :—

Shri G. K. Ahluwalia has assumed charge as Chief Manager, Hyderabad Main Branch, as from the close of business on the 7th December 1974.

The following appointment on the Bank's staff is hereby notified :—

Shri N. C. Banerjee has assumed charge as Officiating General Manager (Planning), Ahmedabad Circle, as from the 11th December 1974.

The 26th December 1974

The following appointment on the Bank's staff is hereby notified :—

Shri M. V. Subramaniam has assumed charge as Officiating Chief Regional Manager, Bangalore, as from the close of business on the 2nd December 1974.

P. C. D. NAMBIAR
Dy. Managing Director
(Personnel & Services)

Bombay, the 16th December 1974

The following appointment on the Bank's staff is hereby notified :—

Shri S. S. Halepaty has been appointed as Deputy Branch Inspector on the Central Office Staff as from the 16th December 1974

A. B. MAJUMDAR
Dy. Managing Director
(Operations)

STATE BANK OF BIKANER AND JAIPUR
(Subsidiary of the State Bank of India)

Incorporated in India under special Statute; The liability of the Members is limited.

Jaipur, the 7th January 1975

NOTICE is hereby given that the fourteenth Annual General Meeting of the shareholders of the State Bank of Bikaner and Jaipur will be held at the Bank's Head Office, Sawai Mansingh Highway, Jaipur on Monday, the 24th February 1975 at 11.30 A.M. (Standard Time) to discuss the Balance Sheet and Profit and Loss Account

श्राई० दिनांक 13 मई, 1971 द्वारा मुहूरे जो श्राधिकार प्रदान किया है एवं धातुत्पादक खान विनियमावली, 1961 के विनियम 182ए के परन्तुक के अन्तर्गत प्रदत्त श्राधिकार के आधार पर उन समस्त अधिक खानों को सुरक्षात्मक जूते एवं हॉल्मेट की आपूर्ति से विमुक्त करता है जहां इस प्रकार के खनिज क्षेत्रों के कर्मचारी कच्चे अधिक की ड्रेसिंग-सम्बन्धी परिचालना या अधिक विकल्प की तैयारी पर नियुक्त हैं।

श्याम शिव प्रसाद
मुख्य खान निरीक्षक

of the State Bank of Bikaner and Jaipur for the year ended the 31st December 1974, the report of the Directors on the working of the Bank for the same period and the Auditor's report on the Balance Sheet and Accounts.

By Order of the Board,
SATYA DEV
Managing Director

THE INSTITUTE OF CHARTERED ACCOUNTANTS
OF INDIA

New Delhi, the 30th December 1974
(CHARTERED ACCOUNTANTS)

No 25-CA(6)/70.—In supersession of the earlier Notification dated the 21st October, 1974 published in Part III Sec. IV of the Gazette of India dated 23-11-1974 and in pursuance of Regulation 16 of the Chartered Accountants Regulations 1964 it is hereby notified that Shri Vasant Vinayakrao Bapat of M/s. S. B. Dandekar & Co., Chartered Accountants, P-36, India Exchange Place, Calcutta (Membership No. 2643) having been found guilty of professional misconduct by the High Court of Calcutta and the High Court on 22nd January, 1974 having ordered that his name be removed from membership of the Institute for a period of two months, the Council of the Institute has accordingly removed his name from the Register of Members for a period of two months with effect from 21st October, 1974.

The 31st December 1974

No. 1-CA(77)/74.—The following draft of certain amendments to the Chartered Accountants Regulations, 1964, which it is proposed to make in exercise of the powers conferred by sub-sections (1) and (3) of section 30 of the Chartered Accountants Act, 1949 (Act XXXVIII of 1949), is published for information of all persons likely to be affected thereby and notice is hereby given that the draft will be taken up for consideration on or after the 10th February 1975.

Any objection or suggestion which may be received from any person with respect to the said draft before the date specified will be considered by the Council of the Institute of Chartered Accountants of India, New Delhi.

In the said Regulations :

1. In Schedule "BB",

(a) In Paragraph 1—"Admission to Entrance Examination"—after sub-paragraph (ii), insert the following proviso as first proviso : "Provided that a commerce graduate shall be exempted from appearing in Paper 1—"Elements of Accounting" and Paper 4—"General Commercial Knowledge and Economics" of the Entrance Examination" and add the word "further" after the word "Provided" in the proviso following it.

(b) In Paragraph 3, at the end, after the word "papers" add the following words :—

"in which he is required to appear under Paragraph 1 above."

2. In Schedule "BB",

In Paragraph 4—Admission to Intermediate Examination—add the following as the last proviso :

"Provided further that a candidate who had entered into articled or audit service before the 1st day of October 1973, and who opts to take his Intermediate and Final Examinations under this Schedule and exercises such option before 31st March 1975, shall be admitted to the Intermediate Examination under this Schedule subject to his satisfying the following conditions :—

- (i) that he is qualified to be enrolled as an articled or audit clerk under this Schedule;
- (ii) that he shall exercise the option only once and when exercised the option shall be final;
- (iii) that he shall take both the Intermediate and the Final Examinations under this Schedule;
- (iv) that he shall pay such additional fees as may be prescribed."

T. S. GREWAL
Acting Secretary

DEPARTMENT OF ATOMIC ENERGY
DIRECTORATE OF ESTATE MANAGEMENT

Bombay-400201, the 27th August 1974

MEMORANDUM

No. 2/17/70-Adm.—In pursuance of sub-rule (1) of Rule 5 of the Central Civil Services (Temporary Service) Rules, 1965, I hereby give notice to Shri Lallu Thakur, a temporary Watchman in this Directorate that his services shall stand terminated w.e.f. the date of expiry of a period of one month from the date on which this notice is tendered to him.

R. L. BATRA
Administrative Officer

MINISTRY OF LABOUR
DIRECTORATE-GENERAL OF MINES SAFETY

Dhanbad-826001, the 4th October 1974

No. 16(9)73-Genl/19740.—Whereas the supply and use of protective footwear or helmets is not considered necessary for those persons employed in any premises of a mica mine where any operation of dressing of crude mica or preparation for sale of mica is carried on, I. S. S. Prasad as the Chief Inspector of Mines by virtue of the authorisation given to me by the Central Government under Section 83(2) of the Mines Act, 1952, vide Notification No. S-29014/3/71-MI dated the 13th May, 1971 and by virtue of the powers given to me under the Proviso to Regulation 182-A of Metalliferous Mines Regulations, 1961, hereby exempt all mica mines from supply of protective footwear and helmets to persons employed in any premises of such mine, where any operation of dressing of crude mica or preparation for sale of mica is carried on.

S. S. PRASAD
Chief Inspector of Mines

OFFICE OF THE PANJAB WAKF BOARD

PUBLIC NOTICE

UNDER RULE 5 OF THE PUNJAB WAKF RULES

Ambala Cantt., the 17th December, 1974

No. 24 (Lease-U)/74.—The Border Security Force, Faridkot through its Deputy Inspector General applied for lease of the wakf land whose particulars are given below; for a period of 25 years on terms and conditions already negotiated, for setting up the Camps and Play-ground, for 28th or any other battalion, Border Security Force, Jalalabad Tehsil Fazilka Distt. Ferozpur (Punjab).

The Punjab Wakf Board, Ambala Cantt., has sanctioned the lease for 25 years for the above said purpose, vide its resolution No. 12-Z dated 14th September, 1974 on terms and conditions given here-under.

In this connection notice under rule 5 of the Punjab Wakf Rules 1964 is published for inviting objections from the interested persons within 36 days from the date of publication. In case no objection is received by the Secretary, Punjab Wakf Board, Ambala Cantonment, the order of the Board will become absolute.

PARTICULARS

Nature of lease	Description of property	Land revenue cess or property tax assessed	Encumbrance	Probable premium and rent
Lease for 25 years for setting up Camps & Play-ground for 28th or any other Battalion B. S. F. Jalalabad.	VIII : Jalalabad Tch. : Fazilka Distt. : Ferozpur Kh. No. 243 Area : 61 ks-9Ms.	Nil	Nil	Premium : Nil Rent : Rs. 3000/- per annum with a progressive enhancement of 25% after interval of every five years. After the expiry of 25 years, lease is liable to be renewed on fresh terms & conditions acceptable to the Punjab Wakf Board, Ambala.
LESSEE:	BORDER SECURITY FORCE, FARIDKOT, through its Deputy Inspector General.			

Dedicated for the maintenance of graveyard.

No. 24(Lease-U)/74—The Pepsu Road Transport Corporation, Patiala through its General Manager applied for lease of the wakf land whose particulars are given below; for a period of 25 years on terms and conditions already negotiated, for setting up the Bus Stand at village Budhlada Tehsil Mansa Distt. Bhatinda (Punjab).

The Punjab Wakf Board Ambala Cantt has sanctioned the lease for 25 years for the above purpose, vide its resolution No. 12-Z dated 14th September, 1974 on terms and conditions given here-under :

In this connection notice under rule 5 of the Punjab Wakf Rules 1964 is published for inviting objections from the interested persons within 36 days from the date of publication. In case no objection is received by the Secretary, Punjab Wakf Board, Ambala Cantonment, the order of the Board will become absolute.

PARTICULARS

Nature of lease	Description of property	Land revenue cess or property tax assessed	Encumbrance	Probable premium and rent
Lease for 25 years for setting up the Bus Stand at V. Budhlada.	Vill : Budhlada Teh. : Mansa Distt. : Bhatinda Kh. No. 314 Area : 75 ks-1M Area to be leased out : 48Ks. PEPSU ROAD TRANSPORT CORPORATION through its General Manager, Patiala.	Nil	Nil	Premium : Nil, Rent : Rs. 5200/- per annum with a progressive enhancement of 25% after interval of every 5 years. After expiry of 25 years lease is liable to be renewed on fresh terms and conditions acceptable to the Punjab Wakf Board, Ambala Cantt.
LESSEE:	Dedicated for the maintenance of graveyard.			

GHAZANFAR ALI KHAN,
Acting Secretary
Punjab Wakf Board, Ambala Cantt.

INDUSTRIAL FINANCE CORPORATION OF INDIA NEW DELHI

NOTICE

Notice is hereby given that the TWENTY-SIXTH ANNUAL GENERAL MEETING of the shareholders of the INDUSTRIAL FINANCE CORPORATION OF INDIA will be held on Thursday, the 26th September, 1974 at 4.00 P.M. (Standard Time) at Hotel Imperial, Janpath, New Delhi, to transact the following business :

- (1) To read and consider the Balance Sheet of the Corporation and the Profit and Loss Account for the year ending the 30th June, 1974, together with the Report by the Board on the working of the Corporation for the year and the Auditors' Report on the said Balance Sheet and Accounts.
- (2) To elect under Section 34 of the Industrial Finance Corporation Act, 1948, one Auditor duly qualified to act as Auditor of Companies under Section 226 of the Companies Act, 1956 (1 of 1956) by the parties mentioned in sub-section (3) of Section 4 of the Industrial Finance Corporation Act, namely scheduled banks, insurance companies, investment trusts and other like financial institutions, and co-operative banks, in place of Messrs, Haribhakti & Company, Chartered Accountants, Bombay, who retire but are eligible for re-election.

BALDEV PASRICHA
General Manager

15th June, 1974

BOARD OF DIRECTORS

Chairman

C. D. Khanna

Nominated by the Central Government.

R. V. Raman
M. K. Venkatachalam

Nominated by the Industrial Development Bank of India.

F. K. F. Nariman
Dr. Samuel Paul
C. S. Venkat Rao
Bishnu Banerjee

Elected to represent Scheduled Banks.

C. P. Shah
A. B. Majumdar

Elected to represent Insurance concerns, Investment Trusts and other like financial institutions.

R. M. Mehta
B. C. Randeria

Elected to represent Co-operative Banks.

N. S. Sapkal
Dr. W. C. Shriramal

BANKERS

Reserve Bank of India

AUDITORS

Chartered Accountants
M/S. Ray & Ray
M/S. Haribhakti & Co.

INDUSTRIAL FINANCE CORPORATION OF INDIA
 MEMBERS OF THE ADVISORY COMMITTEES
 CHEMICAL PROCESS & ALLIED INDUSTRIES

C. D. Khanna, *Chairman*
 F. K. F. Nariman
 Samuel Paul
 S. P. Varma
 N. C. Krishnamurthy
 S. Venkataraman
 S. K. Mukherjee
 C. J. Dadachanji
 R. V. Ramani
 Jayant J. Mehta
 T. Thomas
 M. D. Parekh

ENGINEERING

C. D. Khanna, *Chairman*
 F. K. F. Nariman
 W. C. Shririmal
 Bishnu Banerjee
 S. K. Sinha
 S. Vangala
 Hari Bhushan
 Pranlal Patel
 P. R. Despande
 V. M. Rao
 C. B. Saran
 B. D. Panda
 K. B. Rao
 N. K. Mitra

TEXTILES

C. D. Khanna, *Chairman*
 C. P. Shah
 Bishnu Banerjee
 A. Das
 K. Sundaram
 L. B. Dutt
 M. S. Gill
 Prafull Anubhai
 S. A. Kher
 T. N. Sharma
 N. S. Sharma

SUGAR

C. D. Khanna, *Chairman*
 N. S. Sapkal
 W. C. Shririmal
 S. V. Sampath
 A. Das
 P. S. Rajagopal Naidu
 S. N. Gundu Rao
 N. K. Prabhakara Rao
 M. S. Gill
 J. K. Bhosale
 N. A. Ramaiah
 Kishan Singh

HOTELS

C. D. Khanna, *Chairman*
 Samuel Paul
 C. P. Shah
 Ajit Mazoomdar
 B. S. Gidwani
 (Miss) Thangam E. Philin
 Nari H. Dastur
 J. T. Sataravala
 Pesi M. Shaw
 Duleep Mathai
 Ramnath Kapur

JUTE

C. D. Khanna, *Chairman*
 F. K. F. Nariman
 S. N. Chakravartee
 B. D. Kumar
 S. N. Agarwal
 Hari Shankar Singhania
 A. B. Sen Gupta
 B. H. Singhania
 S. Paul

OUTLINE OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

Incorporation and Purpose

The Industrial Finance Corporation of India (IFCI) was established in 1948 under an Act of the Indian Parliament with the object of making medium and long-term credits to industrial concerns in India.

Capital

Fifty per cent of the paid-up capital now standing at Rs. 10 crores is held by the Industrial Development Bank of India (IDBI), which is a wholly-owned subsidiary of the Reserve Bank of India. The remaining 50% is held by scheduled banks, co-operative banks, insurance concerns and investment trusts, etc.

Management

The Board of Directors consists of a wholetime Chairman appointed by the Central Government after consultation with IDBI and twelve directors. Two directors are nominated by the Central Government and four by IDBI. Six directors are elected by share-holders other than IDBI.

Functions and Lending Policies

Any limited company or co-operative society incorporated and registered in India which is engaged, or proposes to engage itself, in the manufacture, preservation or processing of goods, or in the shipping, mining or hotel industry or in the generation or distribution of electricity or any other form of power, is eligible for financial assistance. Public sector projects are also eligible for financial assistance from the Corporation on the same basis as industrial projects in the private sector. Financial assistance, on concessional terms, is available for setting up industrial projects in certain industrially less developed districts in the States/Union Territories notified by the Central Government. Assistance may take the form of long-term loans—both in rupees and foreign currencies, underwriting of equity, preference and debenture issues; subscribing to equity, preference and debenture capital; guaranteeing of deferred payments in respect of machinery imported from abroad or purchased in India and guaranteeing of loans raised in foreign currency from foreign financial institutions. The resources of the Corporation are available for the setting-up of new industrial projects as also for the renovation, modernisation, expansion or diversification of existing ones.

Sources of Funds

The main sources of funds of the Corporation other than its own capital, retained earnings, repayment of loans and sale of investments, are borrowings from the market by the issue of bonds, loans from the Central Government and foreign credits.

SUMMARY OF FINANCIAL OPERATIONS

(Rs. Crores)

	Upto the 30th June, 1973			During the year ended the 30th June, 1974			Total as on the 30th June, 1974			Amount outstanding as on the 30th June, 1974
	Sanctions (net)		Amount disbursed	Sanctions (net)		Amount disbursed	Sanctions (net)		Amount disbursed	
	No.	Amount		No.	Amount		No.	Amount		
1. Loans										
—Rupee	787	296.08	253.34	76	31.44	25.22	863	327.52	278.56	167.90
—Foreign currency	195	49.55	42.73	28	5.07	3.53	223	54.62	46.26	27.87
TOTAL :	982	345.63	296.07	104	36.51	28.75	1086	382.14	324.82	195.77
2. Underwritings										
—Equity shares	174	14.82	8.56	26	1.95	0.50	200	16.77	9.06	6.70
—Preference Shares	134	8.73	6.26	8	0.48	0.67	142	9.21	6.93	4.58
—Debentures	25	10.13	8.41	—	—	—	25	10.13	8.41	3.82
TOTAL :	333	33.68	23.23	34	2.43	1.17	367	36.11	24.40	15.10
3. Direct Subscriptions										
—Equity shares	21	1.05	0.81	10	0.33	0.19	31	1.38	1.00	1.62
—Preference shares	6	0.25	0.13	—	—	0.10	6	0.25	0.23	0.77*
—Debentures	1	1.82	1.82	—	—	—	1	1.82	1.82	1.07
TOTAL :	28	3.12	2.76	10	0.33	0.29	38	3.45	3.05	3.46
TOTAL OF 1 TO 3	1343	382.43	322.06	148	39.27	30.21	1491	421.70	352.27	214.33
4. Guarantees										
—for deferred payments	44	28.83	28.37	1	0.04	0.05	45	28.87	28.42	4.27
—for foreign loans	5	23.33	23.33	—	—	—	5	23.33	23.33	5.07
TOTAL :	49	52.16	51.70	1	0.04	0.05	50	52.20	51.75	9.34
GRAND TOTAL :	1392	434.59	373.76	149@	39.31	30.26	1541	473.90	404.02	223.67

*Includes Rs. 1.03 crores being part of outstanding loans (overdue interest etc.) of 6 concerns converted into shares, Rs. 0.06 crore of convertible debentures of one concern converted into equity shares and also Rs. 0.17 crore of outstanding loan amount converted into equity shares in respect of another concern, where the condition of right of conversion was stipulated at the time of sanction of loan assistance.

@These sanctions were made to 87 concerns, details of which are given in Appendix A.

Note : Figures as on the 30th June, 1973 do not coincide with those given in the Annual Report for that year due to certain cancellations/adjustments made during the current year in respect of financial assistance sanctioned upto the 30th June, 1973.

HIGHLIGHTS OF OPERATIONS

SPREAD OF FINANCIAL ASSISTANCE AS ON THE 30TH JUNE, 1974

	Rupees in Crores			U.S. \$ equivalent in Million*		
	Sanctions (net)	Disbursements	Out-standings	Sanctions (net)	Disbursements	Out-standings
Loans :						
—Rupee	327.52	278.56	167.90
—Foreign currency	54.62	46.26	27.87
Underwritings and direct subscriptions	39.56	27.45	18.56
Sub-Total	421.70	352.27	214.33
Guarantees :						
—for deferred payments	28.87	28.42	4.27
—for foreign loans	23.33	23.33	5.07
Total 1974	473.90	404.02	223.67
Total 1973	434.59	373.76	216.09

*Rupee amount converted @ Rs. 7.50/U.S. \$

NUMBER OF INDUSTRIAL PROJECTS ASSISTED

Fertilisers	13	Machinery and accessories	51	Textiles	106
Iron & Steel	50	Synthetic fibres and resins	24	Sugar	114
Cement	25	Transport equipment	30	Jute	14
Paper	32	Rubber products	13	Hotel	15
Basic chemicals	28	Electrical machinery and		Glass	16
Non-ferrous metals	12	appliances	37	Mining	7
Metal products	28	Other chemicals	19	Others	37
		<i>Total number of projects : 671</i>		<i>Total number of concerns : 604</i>	

SPECIAL FEATURES OF ASSISTANCE

		Co-operative projects	Projects in less developed regions
Assistance Sanctioned			
—Amount	.. .. .. .. ..	Rs. 111.06 crores	Rs. 137.20 crores
—Share of total net sanctions	.. .. .. .. ..	23.4%	29.0%
Number of projects assisted	.. .. .. .. ..	122	191

FINANCIAL HIGHLIGHTS
FINANCIAL SUMMARY

		Rupees in Crores	U.S. \$ equivalent in Million 1974
		1973	1974
Capital and Reserves (as on the 30th June)			
Paid-up capital	.. .. .. .. ..	10.00	10.00
Reserves	.. .. .. .. ..	18.34	20.46
	Total	28.34	30.46
Earnings for the year			
Gross income	.. .. .. .. ..	14.98	17.77
Gross profit before taxation	.. .. .. .. ..	4.52	5.54
Provision for taxation	.. .. .. .. ..	1.62	2.29
Net profit	.. .. .. .. ..	2.90	3.25

THE YEAR IN BRIEF
Sanctions

During the year ended the 30th June, 1974, the Corporation sanctioned net financial assistance of Rs. 39.31 crores for 90 industrial projects. The aggregate cost of projects for which assistance was sanctioned during the year is estimated at Rs. 253.66 crores.

Of the projects assisted, 53 were new projects accounting for about 68.0% (Rs. 26.71 crores) of the total sanctions for the year.

The total sanctions were spread over 14 States and one Union Territory. The Corporation sanctioned assistance for projects spread over a variety of industries.

The assistance approved during the year included Rs. 1.01 crores sanctioned to 4 private limited companies, of which three belong to the hotel industry and one is engaged in the manufacture of rubber products.

Co-operative Projects

During the year, financial assistance sanctioned for projects in the co-operative sector, which was entirely by way of rupee loans, amounted to Rs. 6.82 crores forming about 21.7% of the total rupee loan assistance sanctioned. This assistance has been in respect of five sugar co-operatives and five textile co-operatives.

Projects in Less Developed Areas

Of the 90 projects which were sanctioned assistance during the year, 29 projects would be located in districts notified by the Central Government as less developed. Assistance sanctioned to these projects, which included

4 projects in the co-operative sector, aggregated Rs. 14.56 crores, being about 37.0% of the total assistance sanctioned.

Working Results

The Working results for the year disclosed a gross profit before tax of Rs. 5.54 crores. After making provision for taxation to the extent of Rs. 2.29 crores, the net profit was Rs. 3.25 crores which was higher by Rs. 0.35 crores as compared with the previous year. Additions made to reserves were to the extent of Rs. 2.65 crores, bringing the total reserves of the Corporation to Rs. 20.97 crores. After writing off Rs. 0.51 crores as bad debts, the total reserves amounted to Rs. 20.46 crores and exceeded the paid-up capital by Rs. 10.46 crores.

Offices of the Corporation

The Branch Offices of the Corporation at Bombay, Calcutta and Madras were raised to the status of Regional Offices and the Delhi Division office started working as a Branch Office. Five new offices of the Corporation at Chandigarh, Bhopal, Cochin, Jaipur and Poona were opened during the year.

Bond Issue

With a view to augmenting its resources, the Corporation, made during the year, a Bond issue in June, 1974 for Rs. 7.25 crores which was fully subscribed.

Foreign Credits

A further line of credit for DM 8.00 million from the Kreditanstalt of West Germany was allocated to the Corporation. An allocation of UK credit to the extent of £ 1.00 million was made by the Government of India under the UP/India Capital Investment Loan, 1974.

Tamil Nadu Chemical Products Ltd., a company in the joint sector, was sanctioned assistance amounting to Rs. 50 lakhs for setting up a new project in the notified less developed district of Ramanathapuram in Tamil Nadu. The project envisages the manufacture of 3,300 tonnes of sodium hydro-sulphite per annum which is increasingly in demand from textile and other industries. The Company has chosen for the first time in the country, the formate process for the manufacture of sodium hydro-sulphite.

Glass Industry

4. Five projects in the glass industry were sanctioned assistance amounting to Rs. 186.81 lakhs. Of these, three were new projects with an estimated total cost of Rs. 7.80 crores. The total assistance sanctioned by the Corporation to this industry till 30th June, 1974, aggregated Rs. 6.24 crores for 16 projects.

The Corporation sanctioned assistance of Rs. 30.00 lakhs to Uttara Khand Glass Works Ltd., for their project being set up in District Rae Bareli, a notified less developed district in Uttar Pradesh. This project proposes to manufacture 12,000 tonnes of amber and white glass bottles per annum. Also, Bottle Glass Ltd., was sanctioned assistance of Rs. 56.00 lakhs for their project envisaging the manufacture of 18,000 tonnes of glass bottles/containers and other hollow-wares per annum.

Northern India Glass Industries Ltd., was sanctioned assistance for its project which envisages the manufacture of 5 million square meters of sheet glass per annum. The project is being set up in District Rohtak, in Haryana.

Electrical Machinery & Appliances

5. The Corporation sanctioned assistance amounting to Rs. 183.10 lakhs for five projects in the electrical machinery and appliances industry. The Corporation's cumulative net sanction to this industry upto the 30th June, 1974, amounted to Rs. 15.19 crores for 37 projects.

The Corporation approved assistance of Rs. 80.55 lakhs to Willard India Ltd. This project envisages the manufacture of automotive batteries, stationary batteries, train lighting cells, hard rubber containers and PVC separators. This project is being set up in District Bulandshahr, U.P., a notified less developed district. The project is expected to provide direct employment to about 500 persons. It is expected that the company would produce batteries with reduced lead content and would, therefore, save foreign exchange as most of the lead is at present imported.

Madhya Pradesh Industries Ltd., was sanctioned assistance of Rs. 55.00 lakhs for its projects envisaging the manufacture of 60 million dry cell batteries per annum. This project is being established in the notified less developed district of Sehore in Madhya Pradesh.

Iron & Steel and Ferro-Alloys

6. Thirteen projects in the iron & steel and ferro-alloys industry were sanctioned assistance amounting to Rs. 798.94 lakhs. With this, the total assistance to this industry aggregated Rs. 32.87 crores for 50 projects upto the 30th June, 1974.

Out of the 13 projects in the iron & steel and ferro-alloys industry assisted during the year, eight were new projects, three were expansion schemes, one was sanctioned additional assistance to meet the over-run in its projects cost, while another was sanctioned financial assistance for the rehabilitation of its steel works to achieve its rated production target.

The eight new projects for which the Corporation has approved assistance included two projects for the manufacture of mild steel ingots, billets and four projects for the manufacture of mild steel, high carbon steel, alloy steel and spring billets. Out of the remaining two projects, one project, viz. Apollo Tubes Ltd., has been sanctioned financial assistance of Rs. 29.00 lakhs for its project envisaging the manufacture of 25,000 tonnes per annum of black and galvanised steel tubes and pipes. This project is being set up in the notified less developed district of North Arcot in Tamil Nadu.

Sandur Manganese and Iron Ores Ltd., has been sanctioned assistance by the Corporation for its project envisaging the manufacture of 24,000 tonnes of ferro-silicon per annum. Ferro-silicon is an important ferro-alloy used in the production of steel.

Machinery

7. The Corporation approved assistance amounting to Rs. 172.82 lakhs for four projects engaged in the manufacture of machinery. The Corporation's cumulative net sanction to this industry upto the 30th June, 1974, amounted to Rs. 23.06 crores for 51 projects.

The Corporation sanctioned assistance to S.R.P. Tools Ltd., for their expansion scheme envisaging the setting-up of a new unit for the manufacture of 4,000 numbers each of gear hobs and gear shaping cutters and 2,000 broaches per annum. The Corporation also assisted Anglo American Marine Co. Ltd., for the manufacture of gear hobs in different ranges with an installed capacity of 6,000 numbers per annum. At present the entire requirements of hobs and gear cutting tools in the country are being met through imports and these projects would help in import substitution.

Kirloskar Tractors Ltd., was sanctioned assistance for Rs. 70.39 lakhs for its project envisaging the manufacture of 6,500 agricultural tractors per annum of 30 H.P. to 60 H.P. ratings.

Misc. Non-Metallic Mineral Products

8. Two projects in this industry were sanctioned assistance of Rs. 80.32 lakhs by the Corporation. The total assistance sanctioned so far to the miscellaneous non-metallic mineral products industry amounts to Rs. 7.02 crores for 17 projects.

Indian Metals and Carbide Ltd., was sanctioned assistance by the Corporation for their project being set up in the notified less developed district of Koraput in Orissa. This project proposes to manufacture silicon carbide with an installed capacity of 600 tonnes per annum. The project will use indigenous technology developed by a national research laboratory.

Metal Products

9. The Corporation sanctioned assistance aggregating Rs. 126.29 lakhs for five projects for the manufacture of metal products. With this, the total amount sanctioned by the Corporation to this industry aggregated Rs. 10.16 crores for 28 projects.

Kumar Bronze Powders Ltd., was sanctioned assistance for the manufacture of 360 tonnes per annum of bronze powders and other metallic powders. This project is being set up in District Almora, a notified less developed district in U.P.

Hotels

10. The Corporation sanctioned assistance amounting to Rs. 365.50 lakhs for the setting-up of nine new hotel projects of international standards. This brings the Corporation's assistance to the hotel industry so far to Rs. 7.69 crores for 15 projects.

The Corporation sanctioned financial assistance to Maberest Hotels Private Ltd., for setting up a 3-star hotel at Panjim, in the notified less developed area of Goa. The hotel industry enjoys high priority in Goa, which has a considerable tourist potential.

G. L. Hotels Ltd., has also been sanctioned assistance for setting up a hotel of international standards in the notified less developed district of Aurangabad in Maharashtra.

Sugar Industry

11. Sugar industry was the second major beneficiary of the Corporation's assistance during the year. The Corporation sanctioned assistance amounting to Rs. 675 lakhs for 10 projects in the sugar industry. Five of these projects were located in the notified less developed districts.

The Corporation's total assistance to sugar industry amounted to Rs. 105.23 crores for 114 projects upto the 30th June, 1974.

During the year, five projects in the co-operative sector were sanctioned assistance amounting to Rs. 4.55 crores. This assistance was meant for establishing four new projects and in the case of the fifth project, the additional assistance approved was for meeting the over-run in its project cost. Two of the new projects are being set up in the notified less developed districts.

Five sugar projects in the corporate sector were also sanctioned assistance during the year. Of these, one was a new project and four were expansion schemes.

Jute

12. The Corporation sanctioned assistance of Rs. 93.74 lakhs for three projects in the jute industry, Rs. 63.00 lakhs being under the scheme of soft loans to the jute industry, Rs. 12.00 lakhs under normal terms and Rs. 18.74 lakhs as sub-loans in £ sterling. The total amount so far sanctioned to the jute industry amounted to Rs. 7.62 crores in respect of 14 projects, Rs. 650.56 lakhs being under the soft loan scheme, Rs. 90.50 lakhs on normal terms and Rs. 20.74 lakhs being sub-loans in £ sterling.

Cotton and Woollen Textiles

13. Thirteen projects in the cotton textile industry and one in the woollen textile industry were sanctioned assistance to the extent of Rs. 501.27 lakhs. The total assistance sanctioned to the industry so far aggregates Rs. 50.75 crores for 106 projects.

Five cotton textile projects in the co-operative sector were sanctioned assistance amounting to Rs. 226.50 lakhs. Of these, one is a new project and is being set up in the notified less developed district of Dharwar in Karnataka. Three more projects were approved assistance for their expansion schemes. The fifth project was sanctioned financial assistance for the purchase of certain equipment.

Nine other cotton and woollen textile projects were also sanctioned assistance aggregating Rs. 274.77 lakhs during the year. Of these, four were expansion schemes and three were modernisation schemes. Assistance for one project was sanctioned for setting up a new centralised textile processing house. A tufted woollen carpets project, which will be the second venture of its kind in the country, was also sanctioned assistance.

Other Projects

14. The Corporation also sanctioned assistance amounting to Rs. 375.89 lakhs for 14 projects in a variety of industries, such as, rubber products, fertilisers,

paper and paper products, transport equipment and parts, synthetic fibres, synthetic resins and leather products.

Assam Petro-chemicals Ltd., promoted by the Assam Industrial Development Corporation Ltd., has been sanctioned assistance by the Corporation for the manufacture of methanol, formaldehyde, urea formaldehyde adhesive and urea formaldehyde moulding powder. The setting-up of this plant in the State would result in continuous and dependable supply of urea formaldehyde resins which is required by the plywood industry, an important industry in the State.

Ashok Paper Mills Ltd., a concern already assisted by the Corporation, was sanctioned financial assistance during the year for their diversification project envisaging the setting-up of a plant at Jorhat, Assam for the manufacture of electrolytic caustic soda/chlorine with an installed capacity of 25 tonnes per day. This unit is being set up to meet particularly the captive requirements of the paper unit of the company.

Fab Leathers Ltd., a project promoted by a new entrepreneur, was sanctioned assistance for the manufacture of finished leathers for shoe uppers and garments from wet blue hides with an installed capacity of 2.56 lakh sq. metres per annum. This project is export-oriented. The export of finished leathers in place of semi-finished leathers will help the country earn more foreign exchange.

Applications for Assistance

15. During the year, the Corporation received 106 applications for financial assistance from 103 concerns, including applications involving joint financing with other all-India financial institutions.

At the beginning of the year, applications from 31 concerns seeking assistance to the extent of Rs. 57.94 crores, including applications which involved joint financing with other all-India financial institutions, were being processed by the Corporation.

16. Gross financial assistance aggregating Rs. 41.57 crores was sanctioned during the year by the Corporation in respect of 92 applications from 88 concerns. Applications from five concerns including one involving joint financing were treated as withdrawn during the year.

17. At the end of the year, applications from 40 concerns for assistance aggregating Rs. 155.49 crores including applications which were intended to be financed jointly with other all-India financial institutions, were under various stages of processing.

18. A statement showing the particulars, State-wise, of applications under processing at the beginning of the year, and applications received sanctioned, or withdrawn during the year as also applications under various stages of processing at the end of the year, is given as Appendix 'D' to the Report.

Some Special Features of Operations

During the Year

19. Assistance of the order of Rs. 26.71 crores (about 68.0% of the total assistance) was sanctioned for 53 new projects, while the balance of Rs. 12.60 crores was sanctioned for expansion, diversification, modernisation etc. of existing undertakings.

20. During the year, Government of India transferred to the Corporation the business of the Hotel Development Loan Fund of the Ministry of Tourism and Civil Aviation. Consequent to an agreement entered into between the Government of India and the Corporation, the existing business of HDLF has been taken over by the Corporation as agents of the Government.

21. The Corporation financial assistance of the order of Rs. 14.56 crores for 29 projects located in the notified less developed districts/areas. The total estimated cost of these projects was Rs. 96.68 crores of which the assistance sanctioned by the Corporation amounted to 15.1%.

22. Fourteen projects with an estimated cost of Rs. 22.94 crores promoted by new entrepreneurs and technologists were sanctioned assistance.

23. Eight joint sector projects with a total cost of Rs. 48.01 crores were sanctioned assistance amounting to Rs. 4.87 crores.

24. For the first time, assistance amounting to Rs. 1.01 crores was sanctioned to four private limited companies.

25. The Corporation sanctioned financial assistance to five sugar and five textile co-operatives with a total net assistance of Rs. 6.82 crores.

Rate of Interest

26. Earlier during the year, the Corporation, in line with the other all-India term lending institutions, increased by 1% p.a. the rate of interest charged on rupee as well as foreign currency loans. Consequently, the rate of was 9% (net) p.a. on rupee loans, 9½% (net) p.a. on sub-loans in foreign currencies and 7½% (net) p.a., subject to certain conditions, on rupee loans for projects located in the notified less developed districts/areas. The revised rates of interest became effective from the 12th July, 1973. They were made applicable

to all the rupee loans and sub loans in foreign currencies sanctioned on or after the 12th July, 1973 and also to all the rupee loans as well as sub-loans in foreign currencies which were sanctioned but in respect of which loan agreements had not been executed before the 12th July, 1973.

Subsequently, during the year, it was decided to extend concessional rate of interest of 9% (net) p.a. in respect of foreign currency loans, subject to certain conditions, for projects located in the notified less developed districts/areas.

After the close of the year, the Corporation has revised the rate of interest charged by it on rupee loans along with the other all-India term lending institutions, consequent to the increase in the Bank Rate from 7% to 9%. Accordingly the normal lending rate of interest that will be charged by the Corporation from its assisted concerns on rupee loans will be 10.25% (net) per annum. The rate of interest on rupee loans to industrial projects being set up in notified back-ward districts/areas, subject to certain conditions, will be 8.5% (net) per annum. Further, the rate of interest on soft loans to jute industry, export oriented cotton textile mills, and to the hotel industry has been fixed at 9.25% (net) per annum.

The revision in the rate of interest will be applicable to all rupee loans sanctioned after the 30th July, 1974. They will also be applicable to all existing rupee loan sanctions in respect of which the relative loan agreements had not been executed before the 30th July, 1974.

INDUSTRY-WISE DISTRIBUTION OF FINANCIAL ASSISTANCE

27. The industry-wise distribution of financial assistance sanctioned during the year under review as also the disbursements made during the year, are shown in Table 1. The industry-wise statistical data in the Report are presented according to the National Industrial Classification, 1970.

TABLE 1

(Rs. Lakhs)

Industry	Loans	Under-writings & Direct subscriptions	Guarantees	Total	% of the whole	No. of projects	Disbursements
1	2	3	4	5	6	7	8
Iron & steel and ferro-alloys	719.00	79.94	—	798.94	20.3	13	222.98
Sugar							
—Co-operative sector	455.00	—	—	455.00	11.6	5	708.00
—Corporate sector	215.00	5.00	—	220.00	5.6	5	226.07
	670.00	5.00	—	675.00	17.2	10	934.07
Chemicals & Chemical Products	..						
—Basic industrial chemicals	311.62	60.00	—	371.62	9.5	6	20.33
—Fertilisers	60.00	—	—	60.00	1.5	1	209.38
—Synthetic fibres	25.15	—	3.67	28.82	0.7	2	76.15
—Synthetic resins	60.00	10.00	—	70.00	1.8	1	—
	456.77	70.00	3.67	530.44	13.5	10	305.86
Cotton Textiles	..						
—Co-operative sector	226.50	—	—	226.50	5.8	5	20.50
—Corporate sector	239.77	5.00	—	244.77	6.2	8	133.00
	466.26	5.00	—	471.27	12.0	13	153.50
Hotel	348.00	17.50	—	365.50	9.3	9	182.98
Glass	168.81	18.00	—	186.81	4.7	5	13.49
Electrical machinery of apparatus	155.10	28.00	—	183.10	4.74	5	111.01
Machinery	152.82	20.00	—	172.82	4.4	4	176.92
Metal products	109.99	16.30	—	126.29	3.2	5	119.82
Paper	95.00	0.78	—	95.78	2.4	5	127.85
Jute manufactures	93.74	—	—	93.74	2.4	3	46.54
Misc. non-metallic mineral products	70.32	10.00	—	80.32	2.0	2	4.97

1	2	3	4	5	6	7	8
Transport equipment and parts .. .	78·40	0·69	—	79·00	2·0	3	162·10
Woollen manufactures .. .	25·00	5·00	—	30·00	0·8	1	—
Rubber products .. .	27·20	—	—	27·20	0·7	1	172·27
Leather products .. .	15·00	—	—	15·00	0·4	1	—
Cement .. .	—	—	—	—	—	—	116·75
Non-ferrous metals .. .	—	—	—	—	—	—	134·91
Inedible oils .. .	—	—	—	—	—	—	0·35
Mining .. .	—	—	—	—	—	—	40·00
Total :	3651·42	276·21	3·67	3931·30	100·0	90	3026·37

STATE-WISE DISTRIBUTION OF FINANCIAL ASSISTANCE

28. The State-wise distribution of financial assistance sanctioned by the Corporation during the year as also the disbursements made during the year, are shown in Table 2.

TABLE 2

(Rs. Lakhs)

State/ Territory	Loans			Under- writings & Direct subscrip- tions	Guaran- tees	Total	% of the whole	No. of projects	Disburse- ments
	Co-opera- tive sector	Corporate sector	Total						
Maharashtra .. .	226·50	488·84	715·34	44·63	—	759·97	19·3	15(5)	758·90
Uttar Pradesh .. .	270·00	360·96	630·96	56·30	—	687·26	17·5	14(2)	387·52
Tamil Nadu .. .	—	450·83	450·83	30·00	—	480·83	12·2	12	379·69
Karnataka .. .	100·00	249·55	349·55	24·00	—	373·55	9·5	8(1)	517·99
West Bengal .. .	—	326·96	326·96	15·00	—	341·96	8·7	8	78·08
Bihar .. .	251·00	251·00	40·00	—	291·00	7·4	6	140·80	—
Haryana .. .	—	200·71	200·71	8·39	—	209·10	5·3	7	176·07
Gujarat .. .	65·00	107·75	172·75	30·39	3·67	206·81	5·3	4(1)	102·57
Andhra Pradesh .. .	20·00	172·50	192·50	7·50	—	200·00	5·1	8(1)	109·68
Orissa .. .	—	105·32	105·32	—	—	105·32	2·7	2	44·28
Assam .. .	—	93·00	93·00	10·00	—	103·00	2·6	2	—
Punjab .. .	—	60·00	60·00	10·00	—	70·00	1·8	1	10·01
Madhya Pradesh .. .	—	55·00	55·00	—	—	55·00	1·4	1	35·00
Rajasthan .. .	—	12·50	12·50	—	—	12·50	0·3	1	95·21
Goa .. .	—	35·00	35·00	—	—	35·00	0·9	1	65·00
Kerala .. .	—	—	—	—	—	—	—	—	41·52
Nagaland .. .	—	—	—	—	—	—	—	—	30·00
Pondicherry .. .	—	—	—	—	—	—	—	—	0·97
Delhi .. .	—	—	—	—	—	—	—	—	53·08
Total :	681·50	2969·92	3651·42	276·21	3·67	3931·30	100·0	90(10)	3026·37

Note : 1. Figures in brackets denote the number of projects in the co-operative sector.

2. Figures of underwritings, direct subscriptions and guarantees relate to the corporate sector.

29. The Corporation's assistance was spread over 14 States and one Union Territory. Industrial projects in seven industrially less developed States viz. Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh and one Union Territory were sanctioned assistance to the extent of Rs. 14.89 crores representing 37.9% of the total sanctions.

Of the assistance sanctioned for projects in Maharashtra, projects in the co-operative sector claimed assistance of Rs. 2.27 crores which amounted to 29.8% of the total sanctions to the State.

30. The names of concerns in each State to whom financial assistance was sanctioned, with particulars of the relative projects assisted, are given in Appendix A to the Report.

INDUSTRY-WISE DISTRIBUTION OF INDUSTRIAL PROJECTS			STATE-WISE DISTRIBUTION OF INDUSTRIAL PROJECTS		
Industry	Amount	No. of Projects	State/Territory	Amount	No. of Projects
	Rs. Crores			Rs. Crores	
Sugar :					
—Co-operatives	92.51	91	Maharashtra	105.56	148
—Others	12.72	105.23	Tamil Nadu	61.95	71
			Uttar Pradesh	44.32	62
Chemicals :			West Bengal	42.83	80
—Fertilisers	31.56	13	Gujarat	33.26	52
—Basic chemicals	28.39	28	Karnataka	33.23	54
—Synthetic fibres and resins	19.33	24	Andhra Pradesh	30.59	40
—Other chemicals	6.01	85.29	Bihar	25.48	31
			Rajasthan	17.42	14
Textiles :			Haryana	15.29	34
—Cotton	50.75	106	Kerala	14.96	19
—Jute	7.62	58.37	Orissa	12.36	16
Iron & Steel	..	32.87	Madhya Pradesh	10.21	16
Non-ferrous metals	..	30.36	Assam	8.55	8
Paper	..	29.45	Punjab	8.51	15
Machinery	..	23.06	Delhi	3.62	3
Cement	..	20.40	Goa	3.60	4
Transport equipment	..	15.93	Meghalaya	0.95	1
Electrical machinery and appliances	15.19	37	Pondicherry	0.60	1
Rubber products	..	15.02	Nagaland	0.50	1
Metal products	..	10.15	Andaman & Nicobar Islands	0.11	1
Hotel	..	7.69			
Others	..	24.89			
		60			
TOTAL (as on 30-6-1974)	..	473.90	671	TOTAL (as on 30-6-1974)	..
				473.90	671

TOTAL OPERATIONS FROM THE 1ST JULY, 1948
TO THE 30TH JUNE, 1974

31. The total net assistance sanctioned upto the 30th June, 1974 amounted to Rs. 473.90 crores covering 671 industrial projects. This assistance was extended to 604 concerns. Disbursements amounted to Rs. 404.02 crores, of which cash disbursements were of the order of Rs.

352.27 crores. The total assistance outstanding was Rs. 223.67 crores at the close of the year under review. The following Table gives the number and amount of net cumulative sanctions, the amount disbursed and the amount outstanding as on the 30th June, 1974.

TABLE 3

(Rs. Crores)

			Sanctions (net)		Assistance disbursed	Amount outstanding
			Number of sanctions	Amount		
1. Loans :						
—Rupee	..	..	863	327.52	278.56	167.90
—Foreign currency	..	..	223	54.62	46.26	27.87
		Total	1086	382.14	324.82	195.77
2. Underwritings :						
—Equity shares	..	..	200	16.77	9.06	6.70
—Preference shares	..	..	142	9.21	6.93	4.58
—Debentures	..	..	25	10.13	8.41	3.82
		Total	367	36.11	24.40	15.10

1	2	3	4	5
3. Direct subscriptions :				
—Equity shares	31	1.38	1.00	1.62 } (a)
—Preference shares	6	0.25	0.23	0.77 } 0.77
—Debentures	1	1.82	1.82	1.07
Total	38	3.45	3.05	3.46
Total of 1 to 3	1491	421.70	352.27	214.33
4. Guarantees :				
—for deferred payments	45	28.87	28.42 } (b)	4.27
—for foreign loans	5	23.33	23.33 } 5.07	5.07
Total	50	52.20	51.75	9.34
GRAND TOTAL	1541	473.90	404.02	223.67

(a) Includes Rs. 1.03 crores being part of outstanding loans (overdue interest etc.) of 6 concerns converted into shares, Rs. 0.06 crore of convertible debentures of one concern converted into equity shares and also Rs. 0.17 crore of outstanding loan amount converted into equity shares in respect of another concern where the condition of right of conversion was stipulated at the time of sanction of loan assistance.

(b) Guarantees actually issued.

NET FINANCIAL ASSISTANCE SANCTIONED AND
DISBURSED YEAR-WISE FROM THE 1ST JULY,

1948 TO THE 30TH JUNE, 1974

32. The net total financial assistance sanctioned and years, classified according to the Five-Year Plans, is disbursed by the Corporation during the last twenty-six shown in the following Table :

TABLE 4

(Rs. Crores)

Year ended 30th June	Net financial assistance sanctioned			Financial assistance disbursed			Total	
	Loans	Under-writings	Guarantees	Total	Loans	Under-writings	Guarantees	
PERIOD PRIOR TO THE FIRST PLAN:								
1949	3.25	—	—	3.25	1.33	—	—	1.33
1950	2.90	—	—	2.90	2.08	—	—	2.08
1951	1.98	—	—	1.98	2.38	—	—	2.38
Total :	8.13	—	—	8.13	5.79	—	—	5.79
THE FIRST PLAN PERIOD:								
1952	3.20	—	—	3.20	1.78	—	—	1.78
1953	0.53	—	—	0.53	2.50	—	—	2.50
1954	4.10	—	—	4.10	2.82	—	—	2.82
1955	5.13	—	—	5.13	1.64	—	—	1.64
1956	14.06	—	—	14.06	2.20	—	—	2.20
Total :	27.02	—	—	27.02	10.94	—	—	10.94
THE SECOND PLAN PERIOD:								
1957	9.15	—	—	9.15	9.78	—	—	9.78
1958	5.93	0.75	1.82	8.50	8.33	—	—	8.33
1959	2.77	0.87	0.27	3.91	7.48	0.66	—	8.14
1960	12.62	0.10	6.06	18.78	8.41	0.17	2.09	10.67
1961	18.58	1.84	8.15	28.57	6.62	0.48	13.02	20.12
Total :	49.05	3.56	16.30	68.91	40.62	1.31	15.11	57.04
THE THIRD PLAN PERIOD:								
1962	17.84	0.73	0.48	19.05	10.92	0.24	0.41	11.57
1963	19.82	4.63	10.62	35.07	15.05	3.99	3.18	22.22
1964	23.61	4.34	13.16	41.11	16.94	1.96	6.39	25.29
1965	19.39	3.55	3.92	26.86	19.79	3.36	14.65	37.80
1966	21.47	3.96	1.35	26.78	23.99	4.48	2.17	30.64
Total :	102.13	17.21	29.53	148.87	86.69	14.03	26.80	127.5
THE ANNUAL PLANS:								
1967	12.34	1.87	4.00	18.21	29.52	2.90	5.64	38.06
1968	14.62	1.48	0.85	16.95	23.35	1.06	2.61	27.02
1969	22.43	2.42	0.29	25.14	15.03	1.68	0.28	16.99
Total :	49.39	5.77	5.14	60.30	67.90	5.64	8.53	82.07
THE FOURTH PLAN PERIOD:								
1970	11.20	1.19	0.13	12.52	16.86	0.85	0.34	18.05
1971	24.58	2.20	0.42	27.20	16.28	0.87	0.20	17.35
1972	32.66	4.62	—	37.28	20.99	1.00	0.11	22.10
1973	41.47	2.25	0.64	44.36	30.00	2.29	0.61	32.90
1974	36.51	2.76	0.04	39.31	28.75	1.46	0.05	30.26
Total :	146.42	13.02	1.23	160.67	112.88	6.47	1.31	120.66
GRAND TOTAL	382.14	39.56*	52.20	473.90	324.82	27.45	51.75	404.02

*Includes direct subscription of Rs. 3.45 crores.

NOTE : The figures given in the table do not tally with those given in the Annual Reports for previous years on account of cancellations/adjustments subsequently made in the figures for the previous years.

ASSISTANCE TO INDUSTRIAL CO-OPERATIVES

33. The Corporation, as in the past years, continued to give special attention to the financing of industrial co-operatives in general, and to sugar and cotton textile co-operatives in particular. As on the 30th June, 1974, the total assistance to the co-operatives by the Corporation amounted to Rs. 111.06 crores in respect of 122 projects; this was 33.9% of the total rupee loan assistance sanctioned by the Corporation since its inception. The major share of the assistance to industrial co-operatives aggregating Rs. 92.52 crores has gone to 91 sugar co-operatives, while Rs. 14.53 crores were sanctioned to 27 textile co-operatives. Assistance was also sanctioned to

one co-operative jute mill (Rs. 78.50 lakhs), one co-operative unit for the extraction of vegetable oil (Rs. 22.50 lakhs) and one cooperative in the fertiliser industry (Rs. 3 crores). Disbursements aggregated Rs. 92.34 crores. Of the total number of projects in the co-operative sector assisted by the Corporation upto the 30th June, 1974, fifty projects were located in the notified less developed districts. The amount of financial assistance sanctioned to these projects aggregated Rs. 46.64 crores.

34. The State-wise and industry-wise distribution of industrial co-operatives financed by the Corporation upto the 30th June, 1974, is given in the following Table :

TABLE 5

(Rs. Lakhs)

State/Territory	Sugar		Cotton spinning		Others		Total sanctions		% of the whole
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	
Andhra Pradesh	6	605.00	3	110.00	—	—	9	715.00	6.4
Assam	1	60.00	—	—	1*	78.50	2	138.50	1.2
Bihar	1	115.00	1	24.70	—	—	2	139.70	1.3
Gujarat	9	600.50	2	170.00	2@	300.00	13	1070.50	9.6
Haryana	2	106.00	—	—	—	—	2	106.00	1.0
Karnataka	8	677.75	3	179.00	1**	22.50	12	879.25	7.9
Kerala	2	180.00	—	—	—	—	2	180.00	1.6
Madhya Pradesh	1	80.00	1	40.00	—	—	2	120.00	1.1
Maharashtra	39	4819.20	12	663.00	—	—	51	5482.20	49.4
Orissa	2	205.00	1	31.00	—	—	3	236.00	2.1
Punjab	4	315.00	—	—	—	—	4	315.00	2.8
Rajasthan	1	95.00	1	45.50	—	—	2	140.50	1.3
Tamil Nadu	7	583.00	1	35.00	—	—	8	618.00	5.6
Uttar Pradesh	7	660.00	2	155.00	—	—	9	815.00	7.3
Goa	1	150.00	—	—	—	—	1	150.00	1.4
TOTAL :	91	9251.45	27	1453.20	4	401.00	122	11105.65	100.0

*Jute co-operative.

@One fertiliser co-operative having 2 units.

**Vegetable oil extraction co-operative.

35. The Corporation continues to play a predominant role in the financing of sugar co-operatives. The total cost of 91 co-operative sugar projects financed by the Corporation was Rs. 199.09 crores, of which 46.5% was contributed by the Corporation as long term loans. The extent to which savings in the agricultural sector have been mobilised for productive purposes as a result of the catalytic role of the Corporation is evident from the fact that in respect of 91 co-operative sugar factories, as on the 31st March, 1974, producer members had contributed a sum of Rs. 42.61 crores as share capital; while contribution from others (viz., non-producer members, co-operative institutions and the rest) amounted to Rs. 4.61 crores. In addition, assisted sugar co-operatives which have gone into production have mobilised non-refundable deposits amounting to Rs. 26.07 crores out of the price of sugarcane payable to the growers.

36. Of late, the cost of setting up a sugar factory with a crushing capacity of 1,250 tonnes per day has gone up considerably and according to present indications, the

cost is likely to be over Rs. 600 lakhs. This steep rise in the cost has been mainly due to the escalation in the prices of plant and machinery. Because of this high capital cost the commercial viability of new sugar plants with an installed crushing capacity of 1,250 tonnes/day has become doubtful. The question as to what reliefs should be given to new sugar projects with high capital cost, is under consideration of the Central Government.

37. Till now only the Life Insurance Corporation of India has been participating with the Corporation in the financing of sugar co-operatives. With the steep increase in the capital cost of new sugar projects the demand on the Corporation for financing sugar co-operatives has gone up and it will not be in a position to meet the higher loan requirements entirely from its own resources. Association of other all-India financial institutions with the Corporation in the financing of sugar projects has, therefore, become necessary.

ASSISTANCE TO THE CORPORATE SECTOR

38. The Corporation's financial assistance, since its inception, to the corporate sector has amounted to Rs. 362.85 crores in respect of 549 projects covering a wide variety of industries.

39. The industry-wise distribution of assistance sanctioned is given in Table 6. :-

TABLE 6

(Rs. Lakhs)

Industry	No. of projects	Loans	Under-writings and Direct Subscriptions	Guarantees	Total	% of the whole
Chemicals and chemical products :						
—Fertilisers	11	1181.36	395.93	1278.86	2856.15	7.9
—Basic chemicals	28	2202.96	204.25	431.36	2838.57	7.8
—Synthetic fibres and resins	24	1672.41	214.25	46.02	1932.68	5.3
—Other chemicals & chemical products	18	495.09	83.35	—	578.44	1.6
					8205.84	22.6
Textiles						
—Cotton	79	3100.47	215.50	306.93	3621.90	10.0
—Jute	13	683.30	—	—	683.30	1.9
					4305.20	11.9
Iron & Steel*	50	2609.89	573.79	103.26	3286.94	9.1
Non-ferrous metals	12	782.11	308.00	1945.65	3035.76	8.4
Paper	32	2212.82	181.13	551.16	2945.11	8.1
Machinery	51	1948.28	254.20	103.76	2306.24	6.4
Cement	25	1805.15	215.89	18.54	2039.58	5.6
Transport equipment	30	1359.08	196.69	26.95	1592.72	4.4
Electrical machinery & appliances	37	1354.72	164.74	—	1519.46	4.2
Rubber products	13	1157.23	79.00	265.61	1501.84	4.1
Sugar	23	1202.94	69.00	—	1271.94	3.5
Metal products	28	749.44	203.28	62.78	1015.50	2.8
Hotel	15	646.12	44.00	79.03	769.15	2.1
Mining	7	380.00	350.00	—	730.00	2.0
Miscellaneous non-metallic mineral products	17	638.65	63.00	—	701.65	1.9
Glass	16	575.73	48.00	—	623.73	1.7
Others	20	341.11	92.90	—	434.01	1.2
TOTAL	549	27108.86	3955.90	5219.91	36284.67	100.0

*Includes foundries etc.

40. The following tables gives the State-wise distribution of financial assistance sanctioned to the corporate sector.

TABLE 7

(Rs. Lakhs)

State/Territory	No. of projects	Loans	Under-writings and Direct Subscriptions	Guarantees	Total	% of the whole
Tamil Nadu	63	3733.29	612.88	1231.31	5577.48	15.4
Maharashtra	97	4006.46	691.91	375.93	5074.30	14.0
West Bengal	80	3510.73	240.00	532.13	4282.86	11.8
Uttar Pradesh	53	2902.78	360.53	353.69	3616.90	10.0
Karnataka	42	1895.23	327.50	221.52	2444.25	6.7
Bihar	29	1763.22	315.00	329.75	2407.97	6.6
Andhra Pradesh	31	1227.86	190.60	925.82	2344.28	6.5
Gujarat	39	1881.39	242.71	130.97	2255.07	6.2
Rajasthan	12	792.72	22.50	786.07	1601.29	4.4
Haryana	32	1288.76	114.77	19.08	1422.61	3.9
Kerala	17	1114.46	29.50	172.47	1316.43	3.6
Orissa	13	915.32	85.00	—	1000.32	2.7
Madhya Pradesh	14	637.81	223.25	39.82	900.88	2.5
Assam	6	356.29	360.00	—	716.29	2.0
Punjab	11	486.08	40.00	9.96	536.04	1.5
Delhi	3	253.46	24.75	83.33	361.54	1.0
Goa	3	135.00	75.00	—	210.00	0.6
Meghalaya	1	95.00	—	—	95.00	0.3
Pondicherry	1	52.00	—	8.16	60.16	0.2
Nagaland	1	50.00	—	—	50.00	0.1
Andaman & Nicobar Islands	1	11.00	—	—	11.00	—
TOTAL	549	27108.86	3955.90	5219.91	36284.67	100.0

Rupee Loans

41. Rupee loan assistance amounting to Rs. 216.54 crores formed 59.7% of the total assistance to the corporate sector. The disbursement of rupee loans to the corporate sector amounted to Rs. 186.30 crores.

Foreign Currency Loans

42. Foreign currency loans sanctioned by the Corpo-

ration to the corporate sector aggregated Rs. 54.55 crores while disbursements amounted to Rs. 46.18 crores.

The cumulative position relating to foreign currency loans as on the 30th June, 1974 is given in the following Table :

TABLE 8

Currency	Number of sub-loans	Sanctions (net)		Letters of Credit/commitments issued		Amount disbursed	
		Foreign currency (million)	Rupee equivalent (lakhs)	Foreign currency (million)	Rupee equivalent (lakhs)	Foreign currency (million)	Rupee equivalent (lakhs)
Deutsche Marks	152	135.72	2768.40	116.32	2370.53	110.14	2244.39
U. S. Dollars	57	26.75	1963.27	26.75	1963.27	26.75	1963.27
French Francs	12	14.38	196.49	12.88	175.94	13.01	177.84
Pound Sterling	26	2.76	526.45	1.61	307.67	1.22	232.90
TOTAL :	247		5454.61		4817.41		4618.40

Underwritings

43. Upto the 30th June, 1974, the Corporation had sanctioned 367 applications for the underwriting of equity shares, preference shares and debentures for a net amount of Rs. 36.11 crores. The position in respect of the issues underwritten and finalised upto the 30th June, 1974, is given in Table 9 :

TABLE 9

	Amount underwritten	Amount devolved	Percentage of (3) to (2)
1	2	3	4
Equity shares	1509.00	902.84	59.8
Preference shares	875.34	696.78	79.6
Debentures	998.00	841.53	84.3
	3382.34	2441.15	72.2

Direct Subscriptions

44. The Corporation sanctioned 38 applications for direct subscription for Rs. 344.94 lakhs which included Rs. 137.95 lakhs for equity shares, Rs. 24.99 lakhs for preference shares and Rs. 182.00 lakhs for debentures. Of these, direct subscription for 14 Rights Issues in respect of shares held by the Corporation in pursuance of underwriting obligations amounted to Rs. 41.08 lakhs.

Guarantees for Deferred Payments for Plant and Machinery

45. The net amount of guarantees for deferred payments sanctioned upto the 30th June, 1974 amounted to Rs. 28.87 crores in respect of 45 applications. The total amount of guarantees actually issued upto the 30th June, 1974 was Rs. 28.42 crores. The amount outstanding under guarantees as on the 30th June, 1974 amounted to Rs. 4.27 crores.

Guarantees for Foreign Currency Loans from Financial Institutions Abroad

46. As on the 30th June, 1974, the Corporation had sanctioned and issued guarantees for foreign currency loans amounting to Rs. 23.33 crores in respect of five applications. The amount outstanding in respect of these guarantees amounted to Rs. 5.07 crores as on the 30th June, 1974.

PURPOSE-WISE DISTRIBUTION OF FINANCIAL ASSISTANCE SANCTIONED UPTO THE 30TH JUNE, 1974

47. The purpose-wise classification of net financial assistance sanctioned upto the 30th June, 1974 along with the total cost of the projects financed by the Corporation is shown in Table 10 :

TABLE 10

(Rs. Crores)

Purpose of financial assistance	Total cost of the projects	Net financial assistance sanctioned				
		Loans	Underwritings and Direct subscriptions	Guarantees for deferred payments and for foreign loans	Total	Percentage of (6) to (2)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
New undertakings	1561.56	236.60	28.64	42.34	307.58	19.70
Existing undertakings for:						
(i) Expansion of existing lines of production ..	613.15	112.90	8.14	6.93	127.97	20.87
(ii) Modernisation and rehabilitation etc. ..	169.87	20.73	2.26	0.86	23.85	14.04
(iii) Diversification into new lines of production ..	63.96	11.91	0.52	2.07	14.50	22.67
TOTAL	2408.54	382.14	39.56	52.20	473.90	19.68

Assistance of the order of Rs. 307.58 crores being 64.9% of the total net assistance sanctioned by the Corporation was extended to new undertakings and assistance of Rs. 166.32 crores was extended to existing projects for expansion, modernisation and/or diversification. The total cost of the 671 projects for which the Corporation has so far extended financial assistance is of the order of Rs. 2408.54 crores, which is an index of the over-all resources mobilised for the completion of the projects.

48. The State-wise and industry-wise distribution of the net financial assistance sanctioned upto the 30th June, 1974 is given in Appendices B and C respectively to the Report. Appendix E shows the industry-wise distribution of the net financial assistance sanctioned in each State, as on the 30th June, 1974. In Appendix G, the net financial assistance has been classified according to the size of the amounts sanctioned.

ASSISTANCE TO PUBLIC SECTOR AND JOINT SECTOR PROJECTS

Public Sector Projects

49. Pursuant to a Government decision in 1970 the Corporation has been entertaining applications for financial assistance from public sector undertakings (irrespective of the extent of Government's shareholdings in them) on the same basis as applications from private sector concerns.

Accordingly, public sector undertakings, which were incorporated as public limited companies were eligible to apply to the Corporation for financial assistance for expansion, modernisation, diversification or for the setting-up of new projects. With the amendment of the IFC Act in December 1972, the Corporation can extend assistance also to public sector undertakings incorporated as private limited companies.

As on the 30th June, 1974, the Corporation had extended assistance amounting to Rs. 9.92 crores for 9 public sector undertakings in industries like fertilisers, cement, sugar, electrical machinery and appliances etc.

Joint Sector Projects

50. In recent years the State Industrial Development Corporations have been playing an important role in the promotion of industrial projects. Many of them have been issued Letters of Intent for setting up medium and large industrial projects.

The Corporation had, as on the 30th June, 1974, sanctioned financial assistance amounting to Rs. 11.48 crores for 13 projects in the joint sector in industries like glass, iron and steel, fertilisers, tractors, sugar and chemicals.

ASSISTANCE TO NEW ENTERPRENEURS AND TECHNOLOGISTS

51. It has been the Corporation's policy to help broaden the entrepreneurial base in industry by giving encouragement to new entrepreneurs and technologists to set up sound and viable industrial projects. With the amendment of the IFC Act in December, 1972, new entrepreneurs who may initially promote private limited companies could also be eligible for obtaining financial assistance from the Corporation for setting up medium sized industrial projects.

The Corporation's assistance over the years has gone to about 120 industrial projects promoted by new entrepreneurs and technologists in industries like engineering, textiles, chemicals, sugar, cement, paper and paper products, glass, hotels etc.

FINANCING OF HOTEL PROJECTS

52. In April 1968, Government of India notified a scheme known as the Hotel Development Loan Fund Scheme (HDLF) to stimulate the growth of hotels for foreign tourists. This scheme envisaged granting of loans on concessional terms to the hotel industry. Until recently, HDLF was being operated by the Ministry of Tourism and Civil Aviation. In November 1973, Government decided to transfer the responsibilities under the scheme from the Ministry of Tourism and Civil Aviation to the Corporation and since then, HDLF has ceased to entertain applications for loans for hotel projects.

53. Consequent to an agreement entered into between the Government of India and the Corporation in January 1974, the existing business of HDLF has been taken over by the Corporation as agents of the Government initially for a period of two years for disbursement, follow-up and recovery of the existing loans already granted by HDLF to the various companies. The agency arrangement covers 14 hotel projects for which HDLF has sanctioned assistance aggregating Rs. 615.59 lakhs. As agents of the Central Government, the Corporation shall have the powers and the rights available to the Government under the respective loan agreements entered into between the concerned hotel companies and the Government.

54. Consequent to the transfer of the business of HDLF to the Corporation, a separate Advisory Committee has been constituted with effect from the 1st December, 1973, for considering applications for financial assistance from the hotel industry.

55. Since December 1973, the Corporation has sanctioned assistance aggregating Rs. 3.30 crores for 8 hotel projects. With this, the Corporation's assistance to the hotel industry as on the 30th June, 1974 amounts to Rs. 7.69 crores for 15 projects.

ASSISTANCE TO INDUSTRIALLY LESS DEVELOPED REGIONS

56. The Corporation, conscious of its role as a development bank, has been playing an important part in the industrialisation of the less developed regions of the country. It has been paying particular attention to projects being set up in less developed areas. 29.0% of its total sanctions since inception has gone to projects located in less developed areas. Out of the cumulative financial assistance aggregating Rs. 473.90 crores sanctioned by the Corporation upto the 30th June, 1974, spread over 671 industrial projects, financial assistance for a total amount of Rs. 137.20 crores in respect of 191 industrial projects has gone to the notified less developed areas. This assistance has been sanctioned to a number of industries like sugar, cotton, textiles, cement, motor-cycle, scooter and parts, Jute textiles, fertilisers, basic industrial chemicals, metal products, miscellaneous chemical products, iron and steel, electrical machinery etc.

57. As part of its efforts to encourage industrialisation in the notified less developed districts/areas, the Corporation, in July 1970, offered a package of concessions to new projects in such areas. In January 1972 similar concessions were extended to expansion projects. The concessions were normally applicable to projects costing less than Rs. 1 crore. Recently, the scheme of concessional finance was liberalised and its scope enlarged to cover all industrial projects—new, expansion or rehabilitation—irrespective of their capital cost.

The salient features of the scheme of concessional finance are set out in detail in Appendix H to the Report. Briefly, these are: concession in the rate of interest, longer initial grace period and extended amortisation period depending on the merits of each case, reduced

margin of security, lower contribution by the promoters to the cost of the project and larger participation by the Corporation in the equity and preference capital of assisted projects and a 50% reduction in the Corporation's normal service charges in respect of commitment charge, underwriting commission, non-refundable examination fee for processing the loan applications and legal charges.

The overall ceiling in respect of loans extended on concessional terms from the Corporation individually, unless other institutions also participate and extend concessional finance upto Rs. 2 crores on a prorata basis, has been fixed at Rs. 1 crore.

These concessions can be availed of by industrial units in addition to the subsidy/grant offered by the Central Government to the industrial units in certain selected less developed districts/areas.

Under the scheme of concessional finance for projects in the notified less developed districts/areas introduced in July 1970, the Corporation had sanctioned till the 30th June, 1974, assistance totalling Rs. 34.02 crores for 53 projects (with a total project cost amounting to Rs. 135.20 crores) as could be seen from the Table given below :

TABLE 11

(Rs. Lakhs)

Type of facility	Assistance sanctioned	
	On concessional Terms	Total assistance
Rupee loans	3241.22	3363.22
Foreign currency loans	35.90	101.09
Underwritings/Direct Subscriptions	125.00	156.28
Deferred Payment Guarantees	—	31.58
Total :	3402.12	3615.17

The financial institutions are aware of the limitations of financial and fiscal incentives in promoting industrial development in industrially less developed areas. There are a number of other factors which need to be taken into account for developing a strategy whereby establishment of new industrial projects in industrially less developed areas is facilitated and accelerated.

58. Recently, the Corporation has been undertaking a number of promotional activities, both individually as well as jointly with other all-Indian financial institutions, for the industrial development of less developed areas. This has added a new dimension to the Corporation's activities.

59. The following Table gives the industry-wise distribution of assistance sanctioned to projects in less developed areas :

TABLE 12

(Rs. Lakhs)

Industry	No. of projects	Project cost	Assistance sanctioned (net) as on 30-6-1974
1. Sugar	44	9938.43	4194.44
2. Cotton textiles	39	4994.02	1837.62
3. Jute	5	454.28	215.13
4. Wood & wood products	3	239.90	168.43
5. Paper and paper products	11	6386.75	1292.89
6. Rubber products	2	530.25	190.94
7. Chemicals & chemical products			
—Basic industrial chemicals	8	1830.46	327.96
—Fertilisers	6	20724.45	576.38
—Other Chemicals & chemical products	8	953.15	316.34
8. Glass	4	575.67	180.01
9. Cement	12	12577.70	1080.41
10. Misc. non-metallic mineral products	4	445.32	171.17
11. Iron & Steel	15	7016.48	694.86
12. Non-ferrous metals	4	6390.18	1312.20
13. Metal products	6	740.51	319.90
14. Industrial machinery	3	434.44	81.28
15. Electrical machinery and appliances	4	669.01	197.60
16. Transport equipment	5	3738.87	223.49
17. Electricity	2	65.50	43.00
18. Mining	3	526.64	145.00
19. Hotel	3	496.11	150.50
TOTAL	191	79728.12	13719.55

PROMOTIONAL ACTIVITIES

Benevolent Reserve Fund

60. In December 1972, the IFC Act was amended in certain respects. Consequent to the amendment, a new section was incorporated for the creation of a Benevolent Reserve Fund to be utilised for social objectives, such as financing the cost of feasibility studies, techno-economic surveys and project reports, assisting projects promoted by new entrepreneurs and technologists, especially in less developed areas, the promotion of research in development banking and in financial industrial management by creation of chairs in Universities and other academic institutions, providing training to the personnel of financial institutions etc. A sum of Rs. 40 lakhs was transferred to the Benevolent Reserve Fund out of the profits of the year ended the 30th June, 1973. This year, it has been decided to transfer to the Fund a further sum of Rs. 40 lakhs out of the current year's profits of the Corporation.

Project Promotion

61. As already stated in the last year's Report of the Board of Directors, the Corporation has participated in surveys of less developed States/Union Territories sponsored by the Industrial Development Bank of India, with a view to assessing their industrial potential and for identifying projects which could be implemented over the short term. The Corporation's share of expenses relating to these surveys was met out of the Benevolent Reserve Fund.

In order to ensure necessary follow-up action in the implementation of the candidate projects identified in the survey reports, the Corporation has also been actively participating in the deliberations of the Inter-Institutional Groups which have been established as an informal body in the various States by the all-India financial institutions.

62. The Corporation along with the other two all-India term lending financial institutions has been commissioning feasibility reports as part of their promotional effort, on candidate projects identified in the various States in their industrial potential surveys. These reports are commissioned with a view to attracting the attention of potential investors to promising projects. The cost of preparing these feasibility reports is shared among the three financial institutions.

Technical Consultancy Organisations

63. In February 1972, the financial institutions had jointly set up a technical consultancy organisation in Kerala known as the Kerala Industrial and Technical Consultancy Organisation (KITCO) and another similar organisation called the North-Eastern Industrial and Technical Consultancy Organisation (NEITCO) was set up in May 1973, in the north-eastern region to cater to the needs of Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.

The Corporation has decided to participate in similar technical consultancy organisations being set up in Bihar and Uttar Pradesh as also a regional consultancy organisation to serve the States of Andhra Pradesh and Orissa. The Bihar Industrial and Technical Consultancy Organisation was inaugurated on the 30th June 1974. Proposals for setting up similar Technical Consultancy Organisations in other States are under consideration.

Creation of Chairs

64. Action has been initiated to create chairs in the fields of financial and industrial management and development banking.

Technical Assistance Scheme

65. In order to share the Corporation's experience in the financing of medium and large industries with the State level financial institutions, the Corporation has instituted the Technical Assistance Scheme with effect from the 1st April, 1974. The Scheme envisages visits of selected officers of the State level financial institutions to the Head Office of the Corporation and its Delhi Branch for a period of one month during which they would have the opportunity to study the policies, procedures and practices of the Corporation. The expenses being incurred under the Scheme are being met out of the Benevolent Rescrve Fund. The response to the Scheme has been quite encouraging.

MANAGEMENT DEVELOPMENT INSTITUTE

66. It may be recalled that the Management Development Institute, sponsored by the Corporation, was inaugurated last year on the 8th March, 1973 by Mr. Hans Erich Bachem, Member of the Board of Management, Kreditanstalt-fur-Wiederaufbau, Federal Republic of Germany. The main objective for which the Institute has been set up is to provide training in modern management techniques to the Corporation's clients, particularly to new entrepreneurs and technologists, who, for the first time, promote an industrial project with financial assistance from the Corporation and also to impart training in development banking to the staff of the Corporation as also to the staff of the financial institutions at the State and all-India levels.

67. The Institute has made a promising beginning. Dr. B. K. Madan, took full-time charge as Chairman on the 1st December, 1973. The core faculty has been recruited in the disciplines of Financial Management, Industrial Relations and Personnel Management, Marketing Management, and Training Methodology and Organisation and Methods. The Corporation has temporarily seconded to the Institute one of its seniors under for organising courses in the field of development banking. In addition to its own faculty, the Institute has been associating guest faculty from among top-level executives in industry who bring to the Institute their direct practical experience of management of industry.

68. The Institute has already held a number of seminars and courses in various areas of management. A list of the courses already held and proposed to be held during 1974 is given below:—

- (i) New Entrepreneurs and the Management Scene.
- (ii) Marketing—its role in Management.
- (iii) Decision Makers and Personnel Management.
- (iv) Management Challenges : Constraints and Opportunities.
- (v) Finance for Non-Finance Executives (for the non-financial officers of the Corporation).
- (vi) Organisation and Methods—An Administrative Strategy.
- (vii) Marketing—Management of Company Operations.
- (viii) Management of Sugar Industry : with special reference to co-operatives.
- (ix) Management of Development Banks—Seminar.
- (x) General Course on Development Banking.
- (xi) Legal Aspects of Development Banking.
- (xii) Managing the Personnel Function.
- (xiii) Workshop on Sugarcane Development.
- (xiv) Management of Current Assets.
- (xv) Financial Management.
- (xvi) Management of Textile Mills : with special reference to co-operatives.

The response from the Corporation's assisted concerns as also from others to the courses conducted by the Institute has been quite encouraging.

69. The Institute has been able to secure a temporary accommodation at Vasant Vihar, New Delhi on a lease for a period of 2 years. In the meantime, the Government of Haryana has been good enough to agree to give land at Gurgaon, near Palam Airport, New Delhi for building a campus for the Institute. The Corporation has already agreed to give an initial grant of Rs. 25 lakhs to the Institute towards the cost of establishing its own residential campus.

70. The idea of establishing the Management Development Institute has taken concrete shape with the help of KFW and the Government of India. The Institute is being financed out of the grants made available to the Corporation by the Central Government from the interest differential funds arising out of the various lines of credit in DM sanctioned to the Corporation by the Kreditanstalt-für-Wiederaufbau. In addition to grants from the interest differential funds, the resources of the Institute would be supplemented by grants from the Corporation.

END-USE SUPERVISION AND FOLLOW-UP

71. Like any other development bank, the Corporation has devised procedures for a proper end-use supervision and follow-up once the loan is sanctioned. This is necessary in order to find out if the assistance sanctioned by the Corporation is being properly utilised for the purposes for which it was sanctioned and whether the project is progressing according to schedule or not.

Until a few years ago, the end-use supervision and follow-up was primarily the responsibility of the branch offices located in the four metropolitan cities of the country. With the increase in the number of projects assisted as well as the fact that the assisted projects are located all over the country and in some cases in the interior villages, it became increasingly difficult to carry out end-use supervision and follow-up with the required frequency. The Corporation during the last three years has, therefore, opened twelve more offices in different States. Another office will be opened at Nagpur in the near future. These offices of the Corporation have been equipped with the necessary technical and financial staff who now undertake more frequent site inspections of the assisted concerns. The various offices of the Corporation are, therefore, in a position to undertake regular follow-up of the assisted concerns with necessary guidance from the Head Office.

The objectives of end-use supervision and follow-up can be enumerated as follows :—

- (i) To watch and ensure that the assistance is being utilised for the purposes for which it was sanctioned;
- (ii) During the construction stage, to assess whether the progress of construction is proceeding according to schedule;
- (iii) To assess whether the project will be completed within the original estimates of capital cost; if not, to what extent there is likely to be an over-run;
- (iv) Production performance and assessment of working results;
- (v) Efficiency of management;
- (vi) Regularity in submission of progress reports and returns;
- (vii) Special problems pertaining to any particular industry.

Procedures

72. The follow-up procedures devised by the Corporation comprise the following :—

- (i) Obtaining regular half-yearly progress reports on the prescribed forms;
- (ii) Carrying out site inspections of the factory and books of account of the assisted concerns at frequent intervals;
- (iii) Examining half-yearly/yearly statements of working results and financial position of the assisted concern; and
- (iv) Appointing, in suitable cases, official/non-official nominees on the assisted concerns' Boards to watch the interests of the Corporation and to report developments, if any, from time to time in regard to the operations and management of the company.

Progress Reports

73. Special forms have been devised for submission of progress reports, both during the construction and operation periods, keeping in view the special features of each industry. These forms have been evolved on the basis of the experience of the Corporation which shows that the main problems faced by an assisted concern during the construction stage relate to the arrangement of finance, delays in implementation, over-runs in costs beyond initial estimates and deficiencies in management. Apart from enabling the Corporation to advise the concern to take remedial steps, the progress reports help the Corporation to disburse funds for the projects in keeping with the progress achieved and the financial plan.

After completion of the project, the assisted concerns are normally required, until the loan is repaid in full, to submit half-yearly progress reports.

It is the responsibility of the various offices of the Corporation to obtain regularly the progress reports and take up necessary follow-up action. The reports are examined and any adverse features/irregularities found are brought to the notice of the assisted concerns directly by the office concerned under intimation to the Head Office of the Corporation.

Inspections

74. From the date the agreement is executed and so long as any part of the loan remains outstanding, the Corporation carries out site inspections both during the construction and operation periods of the project and inspects books of account of the assisted concerns. Such inspections are carried out generally by teams of financial and technical officers of the Corporation. A reasonable notice of about 10/15 days is ordinarily given to an assisted concern of the proposed inspection and for its preparing and furnishing the particulars and data for inspection. To facilitate proper inspection the assisted concerns are required to maintain records showing the expenditure incurred on the project, utilisation of the disbursements out of IFCI loan, progress of the project and the operations and financial working of the company. In carrying out technical and financial inspections, the officers of the Corporation visit the borrowers' factory, examine relevant records and accounts and also schedules, cost estimates, plans and specifications of the plant, etc. In these inspections, emphasis is more on discussing the matters and affairs personally with the concerned officials of the company and seeking necessary clarifications from them.

Further, the inspection team satisfies itself that the principal sum of the loan received from the Corporation is kept in a separate bank account and strictly utilised for the purpose, for which it has been sanctioned. All

releases of the loan amount are preceding or followed by a physical verification of the utilisation of the loan amount already disbursed and the progress made by the assisted concern towards the implementation of the project.

Where other public financial institutions are also involved, reports in regard to periodical inspections, unless carried out jointly, are mutually exchanged. Reports are forwarded in the case of sub-loans in foreign currencies of the respective foreign financial institutions, wherever necessary.

Apart from obtaining periodical progress reports and carrying out of site inspections, the assisted concerns are also required to send the annual audited balance sheet and circulars and minutes of shareholders meetings to the Corporation. The financial statements are carefully studied and analysed to assess their progress, profitability and other financial aspects compared with the performance of at least the preceding three years. In such an examination, apart from drawing conclusions in regard to the overall performance of the company, the unusual features or breach of covenants with IFCI, if any, are also examined.

Nominee Directors

75. An important feature in the building up of relationship between IFCI and the management of assisted concerns is the appointment of its nominees on their boards of directors. In pursuance of Section 25(2) of the IFC Act, the Corporation, as a matter of policy, reserves for itself the right to appoint two directors on the board of an industrial concern assisted by it. In the case of joint financing, the practice has also emerged of having one or more common nominees of the participating institutions, where agreed upon.

IFCI in exercising the right to nominate its representatives on the boards of all assisted concerns where substantial financial assistance has been sanctioned and/or where the conditions for conversion of loans into equity have been stipulated in the agreements for financial assistance, IFCI also uses its discretion in nominating directors on the boards of assisted concerns generally under the following circumstances:—

- (i) where the Corporation's commitments are comparatively large;
- (ii) where defaults have been made in the payment of principal and/or interest on the Corporation's loan;
- (iii) where there are otherwise special circumstances calling for vigilance or a closer watch on the operations of the assisted concern.

The persons nominated as directors are either IFCI's on officers or non-officials; the latter generally being experts.

The persons nominated as directors by the Corporation hold office during its pleasure and are not liable to hold any qualification shares or to retirement by rotation. The nominee directors are expected to take active part in all deliberations of the Board meetings of the assisted concerns. Without interfering in the day-to-day management, the nominee directors are expected to participate in the discussions on all matter coming up at the Board meetings, specially those which have a bearing on the assistance by IFCI and affect its interest or are otherwise important as matters of public policy.

To enable the nominee directors to keep themselves in touch with the operations of the concern in matters like production in relation to installed capacity, sales, reasonableness of inventories and receivables, liquidity of the concern, meeting of statutory obligations, changes in key personnel etc., proforma have been devised on industry-wise basis for facilitating reporting of certain information and operational data by the companies for consideration at every meeting of the Board of Directors.

It will, therefore, be seen that the relationship between a financial institution and an assisted concern is a business relationship and it is but natural that the Corporation has to take steps not only to protect and safeguard its interests, but also to offer its advisory services. The Corporation, because of its considerable financial stake becomes a partner in the enterprise and is, therefore, deeply interested in its operations.

The follow-up procedures call for information which any prudent management would collect and study in its own interest. As such the follow-up procedures are not burden-some but, on the contrary, are an aid to efficient management.

GENERAL REVIEW OF INDUSTRIES PARTICULARLY IN THE FIELDS IN WHICH THE CORPORATION HAS RENDERED FINANCIAL ASSISTANCE

76. As against the rate of growth of 7.1% in 1972, the industrial production during the calendar year 1973 was virtually stagnant. One of the major factors which affected production in a wide range of industries was the severe shortage of power in many parts of the country. The country experienced an actual decline in power generation. Coupled with this were other factors like transport bottlenecks which affected the movements of essential inputs like coal, pig iron and cement, and disturbed industrial relations in a number of industries. Certain important industrial raw materials like caustic soda, soda ash, calcium carbide and industrial gases were in short supply. The prices of some of the crucial imported industrial raw materials rose sharply due to the world wide inflationary conditions.

During the year, Government announced certain decisions regarding streamlining of industrial licensing procedures. The new streamlined procedure for speedy clearance of applications for industrial licences under the supervision of the newly created Projects Approval Board, composed of Secretaries of the concerned Ministries, came into force from the 1st November, 1973. The performance of some of the important industries in which the Corporation has rendered assistance is reviewed in the following paragraphs along with the performance of the Corporation's assisted concerns in these industries based on a survey conducted in this regard.

Cement Industry

There are 51 cement units in the country with a total installed capacity of 19.76 million tonnes per annum. The production of cement during the year was 15 million tonnes which was lower by 0.7 million tonnes as compared to the production in 1972. The shortfall in production was due to the severe power cuts during the earlier part of the year followed by inadequate availability of railway wagons and poor supplies of coal and furnace oil.

During the year the Tariff Commission submitted its final report on the cement industry. Consequently, Government have fixed ex-works price of cement produced by all existing units at Rs. 131/- per tonne. This is exclusive of the selling expenses fixed by Government at Rs. 3/- per tonne including the present Selling Agency Commission of Rs. 1.25 per tonne.

The revised price will be in force till 31st March, 1979, subject to escalations on the first of July every year for variations on account of (i) wages and dearness allowance (ii) price of coal (iii) power tariff and (iv) freight on coal. The escalation in respect of wages and/or dearness allowance would be subject to the condition that the escalation formula would apply only when any general revision of wages and/or dearness allowance has the approval of the Government for the cement industry as a whole.

Most of our assisted concerns in the cement industry reported underutilisation of capacity due to reasons such as power shortages, non-availability of coal, operational problems, raw-materials shortage, unsatisfactory industrial relations and shortage of railway wagons.

Soda Ash

There are four units in production in the country with a total installed capacity of 5.08 lakh tonnes per year. Production in 1973 was 4.73 lakh tonnes as against 4.86 lakh tonnes in 1972. The decline in production was mainly due to power cuts and inadequate supply of hard coke, furnace oil, etc. Two of our assisted concerns fully utilised their capacity and one of them is now implementing a scheme of modernisation and expansion of its soda ash plant.

Caustic Soda

There are 29 units with an installed capacity of 4.39 lakh tonnes. The estimated production of caustic soda in 1973 was 4.05 lakh tonnes which was higher than in 1972. Due to power cuts, four of our assisted concerns could not utilise their capacity fully.

Paper

In 1973, there were 59 paper mills with an installed capacity of 9.62 lakh tonnes a year. Production of paper and paper boards in 1973 was 7.61 lakh tonnes as against 8.03 lakh tonnes in 1972. This shortfall in production was owing to inadequate supplies of coal due to shortage of wagons, shortage of cellulosic raw materials and chemicals, power shortage and unsatisfactory industrial relations. During the year prices of paper and paper boards increased very sharply due to acute shortage and rising costs of various inputs.

Most of our assisted concerns also reported shortfall in production, as they also had to face the same problems which afflicted the industry as a whole. The average utilisation of capacity was 78.3%.

Automobile Tyres and Tubes

The total installed capacity of automobile tyres and tubes was 5.45 million numbers and 4.76 million numbers respectively. The production of automobile tyres was 4.84 million numbers in 1973 as against 4.98 million numbers in 1972.

To meet the increased demand, Letters of Intent were issued by the Government to 14 units for a total additional capacity of 51.50 lakh numbers each of automobile tyres and tubes and approved capacities of five of the existing units have been enhanced for better utilisation of installed capacities.

Two of our assisted concerns reported profitable operations and one of them was engaged in setting up a second unit. The performance of another concern was unsatisfactory as it was affected by operational problems, power shortages and disturbed industrial relations,

Fertilisers

During the year 1973-74, three more units were commissioned bringing the total installed capacity to 1,939,000 tonnes of nitrogen and 500,000 tonnes of P_2O_5 . The production of nitrogen is expected to be about 1,050,000 tonnes during 1973-74, which was slightly lower as compared to the previous year. Production of phosphatic fertilisers which was 315,000 tonnes also showed a decline when compared to the previous year. Production was affected due to widespread power cuts, sharp increase in the prices of certain essential inputs like naphtha, phosphoric acid, rock phosphate, sulphur etc., which created problems both in terms of availability and increase in operating costs. Disturbed industrial relations also affected production.

One of our assisted concerns manufacturing urea fully utilised its capacity. However, it has reported difficulty in obtaining coal. Another concern manufacturing urea could not utilise its capacity fully due to power shortage and unsatisfactory labour relations. The production of another concern manufacturing urea, ammonium sulphate and D.A.P. was affected by power cuts and operational problems. This concern also reported difficulty in obtaining rock phosphate.

Glass

There are 6 units engaged in the manufacture of sheet glass with an annual installed capacity of 22 million sq. mtrs. Production of sheet glass in 1973 was 19 million sq. mtrs. Six Letters of Intent have been issued for the manufacture of sheet glass. With the implementation of these schemes, the installed capacity would increase to 53 million sq. mtrs.

Due to the increasing requirements of consuming industries like milk schemes, soft drinks, breweries etc., the demand for automatic machine made bottles has been increasing steadily. There are 23 units in production with a total installed capacity of 2,65,500 tonnes and production during 1973 was 1,80,000 tonnes.

Production also showed an increase in other sectors of the glass industry like vacuum flasks, laboratory glass-ware, table and pressed-ware, shells for G.I.S lamps and tubes and fluorescent lamps.

Production in some of our assisted concerns manufacturing glass bottles was effected due to power shortage, operational problems, raw materials shortage and unsatisfactory industrial relations. The utilisation of capacity of another assisted concern manufacturing figured and wired glass was affected due to raw materials shortage.

Agricultural Tractors

There are 8 units manufacturing agricultural tractors with a total installed capacity of 45,000 numbers. The production of tractors in 1973 was 23,497 numbers which was approximately 30% more than the previous year. Government has been assisting the existing manufacturers to increase production by importing components and raw materials.

The utilisation of capacity of one of our assisted concerns was low due to power cuts and raw materials shortage. Another assisted concern, which is in the State sector and which has taken up the manufacture of tractors based on completely indigenous design and knowhow commenced commercial production from April, 1974.

Power Tillers

The production of power tillers in 1973 was 747 numbers as against 149 numbers during 1972. The market for power-tillers has not picked up and efforts are being made to popularise the product and also to provide facilities for the small farmers to acquire power tillers.

One of our assisted concerns reported low utilisation of capacity due to power cuts and raw materials shortage. Another assisted concern went into production during the year.

Ball and Roller Bearings

There are seven units in production in the ball and roller bearings industry with a total installed capacity of 22.6 million numbers. The production of ball and roller bearings in 1973 was 28.0 million numbers. The major gap in domestic production is for special types of ball-bearings like double and multi row ball bearings, angular contact ball bearings, ball bushings, ball thrust bearings and combined ball and cylindrical roller bearings. Additional capacity is also required for the production of spherical roller bearings, cylindrical bearings, thrust bearings etc.

Two of our assisted concerns fared well though in one case its capacity utilisation was affected due to difficulty in getting raw materials like steel bars, wires, strips, balls and forged rings.

Steel Pipes and Tubes

At present 15 units are engaged in the manufacture of black and galvanised steel pipes. Their installed capacity is 11.1 lakh tonnes. In addition to the above, many units have been registered under the automatic registration scheme, under which a capacity of about 90,000 tonnes has been created. The production is estimated to be 3.7 lakh tonnes during 1973 as against 3.2 lakh tonnes in 1972. The industry faced acute shortage of skelp/strip as also power cuts.

Due to the difficult raw material position, the capacity utilisation of our assisted concerns was low. Some of them also reported difficulties in obtaining zinc.

Motor Cycles, Scooters etc.

The installed capacity of motor cycles, scooters, three-wheelers and mopeds during 1973-74 was 217,500 numbers. As against this, the production was 161,800. Twenty-nine Letters of Intent have been issued for the manufacture of scooters with complete indigenous know-how and without foreign collaboration.

The performance of our assisted concerns was generally good. However, most of them experienced shortage of raw materials like steel sheets and alloy steel as also of power. Two of the concerns reported unsatisfactory industrial relations.

Bicycles

As against the installed capacity of 38.49 lakh numbers of complete bicycles per annum, the production in 1973 was 25 lakh numbers.

Two concerns assisted by the Corporation increased their production during the year as compared with the previous year. However, both the concerns could not

utilise their capacity fully due to power cuts and shortage of raw materials like bars, rods, wire, strip, tubes and components.

Sugar

During the 1973-74 season, (till 15th August, 1974) production of sugar was about 39.14 lakh tonnes.

In order to augment sugar production, Government took a number of steps like continuing the basic minimum price of sugarcane payable by vacuum pan sugar factories at the existing level of Rs. 8/- per quintal linked to a recovery of 8.5% and below, with a premium of 9.4 paise per quintal for every 0.1 per cent increase in recovery above 8.5 per cent, excise duty rebate to encourage increased crushing particularly during the earlier and later parts of the sugar season, when the percentage of recovery is comparatively low.

As on the 31st March, 1974, the total number of co-operative sugar factories licensed/registered was 138. Of this, 90 co-operative sugar factories were in production during the 1973-74 season. The co-operative sector's contribution to total sugar production in 1973-74 season (till 15th August, 1974) was 15.33 lakh tonnes constituting about 39% of total production.

The performance of most of our assisted sugar co-operatives was satisfactory although they could not utilise their capacity fully due to inadequate sugarcane supply.

Cotton Textiles

There was a decline in the production of cotton textiles during the year as compared to the previous year. Though there was no serious shortage in the availability of cotton, the fall in the output of cotton textiles has been due to severe shortage of power.

The performance of most of our assisted concerns was satisfactory. However, their capacity utilisation was affected due to power cuts imposed in the various States.

Jute

The supply position of raw jute was comfortable with a crop estimated around 80 lakh bales. The production of jute goods which was estimated to be 11.58 lakh tonnes during the year was lower than the 1972 production due to frequent power cuts.

The performance of some of our assisted concerns was not satisfactory as they were affected by severe power cuts.

PROGRESS OF REPAYMENTS

77. Tables 13 and 14 show the amounts which were due by way of interest on loans and instalments of principal and the amounts that were realised during each of the last five years. They also show the amounts in default at the end of each of those years. The interest in default of Rs. 806.10 lakhs and the principal in default of Rs. 815.46 lakhs as on the 30th June, 1974 amounted to 4.17% and 4.22% respectively of the outstanding loans of Rs. 193.21 crores in respect of rupee and foreign currency loans.

TABLE 13
Interest

(Rs. Lakhs)

Year ended the 30th June	Loans out- standing at the beginning of the year	Arrears of interest out- standing at the beginning of the year	Amount of interest due during the year	Total of columns 3 & 4	Amount of interest re- ceived during the year	Defaults of interest at the end of the year*
1	2	3	4	5	6	7
1970	14207.50	311.67	1084.89	1396.56	1023.84
1971	14998.54	372.72	1161.08	1533.80	983.05
1972	15606.32	550.75	1165.96	1716.71	1081.15
1973	16564.97	598.4	1357.50	1955.90	1106.81
1974	18020.26	691.72	1496.96	2188.68	1256.33

*Excluding amounts for which extension of time was granted. Technically, such cases are not treated as defaults.

TABLE 14
Principal

(Rs. Lakhs)

Year ended the 30th June	Loans out- standing at the beginning of the year*	Arrears of principal out- standing at the beginning of the year	Amount of principal due during the year	Total of columns 3 & 4	Amount of principal re- ceived during the year	Defaults of principal outstanding at the end of the year**
1	2	3	4	5	6	7
1970	14207.50	256.51	1163.86	1420.37	1004.24
1971	14998.54	313.21	1354.43	1667.64	1151.64
1972	15606.32	498.03	1531.34	2029.37	1287.39
1973	16564.97	637.06	1633.39	2270.45	1478.54
1974	18020.26	555.94	1899.40	2455.34	1507.84

*Excluding amounts due on account of defaulted deferred payment instalments guaranteed and met by the Corporation and interest thereon which are given separately in Table 16.

**Excluding amounts for which extension of time was granted. Technically, such cases are not treated as defaults.

78. The industry-wise break-up of defaults, as on the
30th June, 1974 along with the comparative figures for

the previous year is given in the following Table :—

TABLE 15

(Rs. Lakhs)

Industry	Defaults as on 30-6-73			Defaults as on 30-6-74		
	No. of concerns	Principal	Interest	No. of concerns	Princ. pl	Interest
Sugar	8	56.00	108.65	11	105.50
Cotton Textiles	14	152.57	172.07	12	174.88
Jute	1	2.03	—	2	6.73
Wood and wood products	..	—	—	—	1	2.50
Paper & paper products	..	4	19.80	88.73	2	15.00
Rubber & Rubber products	..	3	30.07	32.91	2	56.03
Basic Industrial Chemicals	..	1	24.00	33.15	1	27.00
Misc. Chemicals and Chemical products	2	12.00	4.35	3	22.76
Glass	2	10.00	8.10	2	14.50

Misc. Non-metallic Mineral products	5	84.35	83.50	5	105.42	92.95
Metal products	2	3.96	0.01	4	0.41	4.10
Machinery & Accessories	10	82.88	54.80	9	88.23	68.22
Electrical Machinery and Appliances	4	12.56	6.28	6	33.99	20.84
Motor Vehicles & Parts	1	15.02	26.40	1	29.84	37.50
Other Transport Equipment	—	—	—	1	7.50	—
Mining Coal	3	8.60	6.04	1	12.50	6.87
Hotel	1	7.35	10.11	1	9.45	13.37
Cement	1	7.36	11.32	2	58.33	69.89
Synthetic Fibres & Resins	1	—	8.07	2	14.41	8.52
Iron & Steel	5	16.14	28.86	5	35.85	45.11
Fertilisers	1	10.00	8.37	1	12.50	11.31
Food Products	1	1.25	—	—	—	—
Other Food Products	—	—	—	1	—	0.27
Non-ferrous metals	—	—	—	2	0.13	1.35
TOTAL	70	555.94	691.72	77	815.46	806.10

The position of defaults in the engineering industry did not show much improvement during the year. The number of defaulting concerns was 26 as against 22 in the previous year. Shortage of power in the country and also shortage of raw materials, especially of steel and other components inhibited the proper functioning of the industrial units. The world-wide fuel crisis coupled with the steep price rise also aggravated the problems of the engineering units. Rising costs of production due to inflationary trends, weak and ineffective management in some cases and paucity of working capital partly as a result of uneconomic operations and partly due to credit control by banks were the other adverse factors which contributed in no small measure to the unsatisfactory position in the industry.

The number of defaulting concerns in the sugar industry went up from 8 to 11. This was due to the fact that the supply of sugarcane to various factories was considerably reduced due to drought conditions in the various parts of the country for the past few years. This affected the profitability of the units.

In the aluminium industry, two of the assisted concerns are not doing well. Aluminium industry being a power intensive one is facing difficulties due to the acute power shortage in the country. Further, the profitability of the industry has been considerably affected due to high power rates and steep rise in the cost of other raw materials.

The number of defaulting concerns in the rubber industry was two as against three in the previous year. The rubber industry has not shown much improvement in the year under review due to the rising cost of production and inflationary trends. The position seems to have been aggravated owing to the difficult power position, non-availability of adequate raw materials etc.

One of the paper projects in which the Corporation had substantial financial stake has been successfully rehabilitated as a result of financial reconstruction of the company and change of management.

One of the assisted concerns engaged in the manufacture of a basic drug—a broad spectrum antibiotic—started production from January 1973, under a rehabilitation programme for which one of the participating financial institutions sanctioned additional assistance. However, due to lower price fixed for the company's finished pro-

duct, its sales and profitability were adversely affected to the detriment of the expected rehabilitation of the project. The company has been allowed to undertake a diversification scheme to manufacture certain derivatives.

The number of defaulting concerns in the cotton textile industry was 12 as against 14 in the previous year. Most of the concerns which were in default during the previous year, were again unable to meet their commitments during the current year. As stated in the last year's Report, the settlement of dues of the Corporation in respect of some units taken over by Government is under negotiation with the National Textile Corporation. The projects in default are constantly under review. In regard to one closed textile unit, the Corporation, after getting a Receiver appointed through Court, succeeded in its rehabilitation by bringing about a change of management in favour of another experienced entrepreneur in the line.

The number of defaulting concerns in the jute industry went up from 1 to 2 during the current year. This was largely due to acute shortage of power.

Three concerns in the coal mining industry, assisted by the Corporation, were nationalised and under the statute, all dues to labour for arrears of wages, provident fund, gratuity, etc., have been given preference over secured creditors. The Corporation may not be able to realise its entire outstanding dues out of the compensation fixed for each of the three coal units.

During the year, some of the projects were granted additional financial assistance as a part of the overall schemes of their rehabilitation, in particular with other institutions accompanied by reliefs by way of rolling over of the loans, and postponement of payment of interest carrying appropriate stipulations regarding financial discipline and measures for strengthening/change of management.

The projects in default are constantly under review and necessary steps are being taken towards their rehabilitation. Wherever called for, the Corporation has been in touch with the other participating financial institutions to find solution to the problems of defaulting concerns.

The position of defaults in the payment of instalments of deferred payments guaranteed and met by the Corporation and interest and other charges due thereon for the last five years are shown in Table 16.

TABLE 16

(Rs. Lakhs)

Year ended the 30th June	Amount of arrears due at the beginning of the year	Defaults during the year	Total columns 2 & 3	Recoveries during the year	Amount of arrears outstanding at the end of the year
(1)	(2)	(3)	(4)	(5)	(6)
1970	527.43	52.24	579.67	285.83*	293.84
1971	293.84	25.71	319.55	2.72	316.83
1972	316.83	32.10	348.93	112.22**	236.71
1973	236.71	217.23	453.94	4.10	449.84
1974	449.84	36.06	485.90	391.60	94.30

*This amount included instalments in default aggregating Rs. 279.44 lakhs, which have been converted into new loans and for which extension of time was granted.

**This amount included instalments in default aggregating Rs. 30.17 lakhs for which extension of time was granted.

RESOURCES

Share Capital

79. The authorised capital of the Corporation stands at Rs. 20 crores and the issued, subscribed and paid-up capital of the Corporation stands at Rs. 10 crores as on the 30th June, 1974.

80. There has been no change in the ownership pattern of shares of the Corporation held by the various categories of shareholders during the year under report.

The distribution of shares as on the 30th June, 1974 was as follows :

	No. of shares held	Percentage of the total
Industrial Development Bank of India	10,000	50
Scheduled Banks	4,067	20
Insurance Concerns, etc.	4,314	22
Co-operative Banks	1,619	8
	20,000	100

Bonds

81. With a view to augmenting its resources, the Corporation made a Bond Issue in June 1974 for Rs. 7.25 crores which was fully subscribed.

Borrowings from the Central Government

82. As on the 30th June, 1973, loans outstanding from the Central Government stood at Rs. 69.47 crores. During the year under review, a sum of Rs. 0.18 crores was borrowed from Government under interest differential funds arising out of KFW loans and a further sum of Rs. 1.76 crores was borrowed from Government under the Hotel Development Scheme for financing hotel projects, and a sum of Rs. 5.35 crores was repaid. The balance outstanding at the end of the year was Rs. 66.06 crores. As in the previous 4 years, no budgetary allocation of funds was made for the Corporation this year.

Borrowings from the Reserve Bank of India

83. As in the past, borrowings from RBI were availed of for temporary periods during the year. As on the 30th

June, 1974 the outstandings under this head amounted to Rs. 77.50 lakhs, which have since been cleared.

Borrowings from IDBI

84. During the year the Industrial Development Bank of India granted financial assistance to the Corporation to the extent of Rs. 5.00 crores by way of subscription to Ad hoc Bonds.

Borrowings in Foreign Currencies

85. In August, 1973, a further loan of DM 8.00 million, being the twelfth line of credit, was allocated to the Corporation. As at the close of the year, the total amount of West German Credit made available to the Corporation including the above line of credit amounted to DM 136.50 million, against which the Corporation had sanctioned sub-loans to the extent of DM 135.72 million. DM lines of credit, which are now fully convertible can be utilised for the import of capital goods, engineering know-how and services etc. from countries such as USA, UK, Italy, France, Norway, Sweden, Denmark, Spain, Japan, etc., in addition to West Germany, except certain countries specifically named.

A further allocation of UK Credit to the extent of £ 1.00 million was made by the Government of India under UK/India Capital Investment Loan, 1974, the documents in respect of which would be completed shortly. With this allocation, the total amount of UK Credit made available to the Corporation by the Government of India amounted to £ 4.50 million against which sub-loans for an aggregate amount of £ 2.76 million have been sanctioned upto the end of the year.

The total value of French Credit available to the Corporation from Banque Francaise Du Commerce Extérieur, Paris amounted to FF 15.00 million and sub-loans sanctioned thereagainst totalled FF 14.38 million.

Sources from which Assistance given has been financial

86. Disbursements on loans and amounts paid on shares and debentures, upto the 30th June, 1974, aggregated Rs. 352.27 crores. This amount was financed from the following sources :

	(Rs Crores)	Borrowings from the Industrial Development Bank of India	5.00
Paid-up Capital	10.00	Foreign Credits	46.26
Reserves	20.46	Repayment of rupee loans, sale of investments, etc.	110.54
Borrowings from the market by issue of bonds	93.17		
Borrowings from the Central Government	66.06		
Borrowings from the Reserve Bank of India	0.78	TOTAL	352.27

SOURCES AND USES OF FUNDS FOR THE PAST THREE YEARS

	(Rs, Crores)	1971-72	1972-73	1973-74
A. SOURCES OF FUNDS :				
<i>Internal Resources</i>				
1. Opening cash and bank balances	9.18	2.46	11.78	
2. Gross profit for the year	4.84	4.52	5.54	
3. Repayment of loans by borrowers				
(a) Rupee loans	10.87	13.09	12.65	
(b) Foreign currency loans	2.59	2.75	3.43	
4. Sale of investments in Government securities	—	—	—	
5. Redemption of debentures/preference shares	0.33	0.17	0.34	
6. Sale of investments	1.74	1.70	3.71	
7. Recoveries in respect of obligations met under guarantees	0.07	0.01	2.69	
8. Call money on shares	0.83	0.83	—	
Sub-Total	30.45	25.53	40.14	
<i>Borrowings</i>				
9. Borrowings from the market by the issue of bonds	8.80	24.17	7.99	
10. Borrowings from foreign credit institutions	2.95	3.52	1.95	
11. Borrowings from the Reserve Bank of India	1.68	2.68	0.78	
12. Borrowings from the Central Government	0.09	0.11	1.94	
13. Borrowings from the Industrial Development Bank of India	—	—	5.00	
Sub-Total	13.52	30.48	17.66	
Total	43.97	56.01	57.80	
B. USES OF FUNDS :				
<i>Assistance to Industrial Concerns</i>				
1. Disbursement of assistance by way of—				
(a) Loans—				
(i) Rupee loans	17.85	23.86	23.77	
(ii) Foreign currency loans	2.95	4.31*	3.53	
(b) Subscriptions to shares/debentures of industrial concerns pursuant to underwriting obligations	0.56	2.10	1.17	
(c) Direct subscriptions	1.72	0.24	3.00**	
(d) Obligations under guarantees met by the Corporation	0.19	1.83	1.45	
Sub-Total	23.27	32.34	32.92	
<i>Payment to Government</i>				
2. Repayment of loans	3.34	4.71	5.35	
3. Provision of taxation	2.17	1.62	2.29	
Sub-Total	5.51	6.33	7.64	
<i>Other Uses</i>				
4. Repayment of loans from the Reserve Bank of India	1.24	1.68	2.68	
5. Repayment of loans from foreign credit institutions	2.40	2.22	2.32	
6. Redemption of bonds	5.49	—	—	
7. Dividend	0.42	0.57	0.60	
8. Others	3.18	1.09	3.01	
9. Closing cash and bank balances	2.46	11.78	8.63	
Sub-Total	15.19	17.34	17.24	
Total	43.97	56.01	57.80	

*Includes Rs. 0.79 crores disbursed against allocation under U. K./India Capital Investment Loans.

**Includes Rs. 2.54 crores representing the amount due on account of defaulted deferred payment instalments, guaranteed and met by the Corporation in respect of one concern converted into equity shares, and Rs. 0.17 crores of outstanding loan amount converted into equity shares in respect of another concern where the condition of right of conversion was stipulated at the time of sanction of loan assistance.

ACCOUNTS

87. The profit and Loss Statement for the year ending the 30th June, 1974 is given below :—

PROFIT AND LOSS STATEMENT

	(Rs. Lakhs)	This Year	Previous Year
The year's working shows a gross income of		1776.52	1498.17
Deducting from gross income :			
—Interest paid on bonds and other borrowings		1006.52	917.13
—Other expenses and loss on sale of investments		216.35	129.11
And after providing for taxation		228.65	161.53
The net profit for the year is		325.00	290.40
The net profit of Rs. 325.00 lakhs has been appropriated as under :—			
(i) Transfer to General Reserve Fund		100.00	82.70
(ii) Transfer to Special Reserve Fund (under Section 36(1)(vii) of the Income Tax Act, 1961)		46.00	40.00
(iii) Transfer to Benevolent Reserve Fund		40.00	40.00
(iv) Transfer to Reserve for Doubtful Debts		78.00	70.00
(v) Transfer to Staff Welfare Fund		1.00	71.00
(vi) Payment of Dividend @ 6% on the paid-up share capital of Rs. 10.00 crores for the year		60.00	56.70
		325.00	290.40

General Reserve Fund

88. A sum of Rs. 100 lakhs has been transferred out of the current year's profits to the General Reserve Fund which now stands at Rs. 1100.00 lakhs.

In addition to the General Reserve Fund, there are the following Special Reserve Funds aggregating Rs. 565.78 lakhs.

(Rs. Lakhs)

(i) Special Reserve Fund under Section 32A of the Industrial Finance Corporation Act	100.00
(ii) Special Reserve Fund under Section 36(1)(viii) of the Income Tax Act, 1961	465.78
	<hr/> 565.78

The General and Special Reserve Funds aggregate Rs. 1665.78 lakhs.

There are in addition Reserve for Doubtful Debts amounting to Rs. 299.80 lakhs and Benevolent Reserve Fund amounting to Rs. 77.37 lakhs. The sum total of the Reserves held by the Corporation adds upto Rs. 2046.60 lakhs which exceeds the paid-up capital by Rs. 1046.60 lakhs.

Special Reserve Fund under section 36(1)(viii) of the Income Tax Act, 1961

89. A sum of Rs. 46.00 lakhs has been transferred from the profits of the current year on the basis of 10% of the assessable income as Special Reserve Fund under Section 36(1)(viii) of the Income Tax Act, 1961. This raises the balance to the credit of the Fund to Rs. 465.78 lakhs.

Benevolent Reserve Fund

90. A sum of Rs. 40 lakhs has been transferred out of the current year's profits to the Benevolent Reserve Fund under Section 32B of the Industrial Finance Corporation Act to be utilised as under :—

- (a) for meeting the cost of feasibility studies, project reports, market and techno-economic surveys and such other purposes which, in the opinion of the Corporation, may promote the development of industries;
- (b) in the field of development banking and in financial and industrial management—
 - (i) for undertaking and promoting research;
 - (ii) for training in India or abroad of personnel of financial institutions; and
 - (iii) for creating chairs in universities, academic institutions and research foundations;
- (c) for assisting projects promoted by technologists and new entrepreneurs—
 - (i) by subsidising the normal lending rate of interest of the Corporation in respect of loans or advances sanctioned to them;
 - (ii) by providing technical and managerial assistance to projects promoted by them especially in industrially less developed regions;
- (d) for rendering any assistance that may be ancillary or incidental to the aforementioned purposes.

Reserve for doubtful Debts

91. A review of the loan accounts as at the end of the year shows a satisfactory position. In view, however, of the large size of the operations of the Corporation, and the fact that schemes for rehabilitation of certain pro-

jects may take time to mature, the Directors have decided, as a measure of prudence, to transfer an amount of Rs. 78.00 lakhs to the Reserve for Doubtful Debts from the profits of the year under report. A sum of Rs. 51.20 lakhs was written off as bad debts from Reserve for Doubtful Debts during the year.

Provision for Income-Tax

92. The assessment proceedings in respect of tax payable by the Corporation for the accounting year ended 30th June, 1971 were finalised and adjustment thereof made in the accounts of the current year. However, the assessment-proceedings for the accounting years ended 30th June, 1972 and 1973 (assessment years 1973-74 and 1974-75) were not finalised by the close of the annual accounts. In respect of the accounting year ended the 30th June, 1974 sum of Rs. 228.65 lakhs has been provided in the accounts for taxation.

Net Profit

93. The gross profit for the year amounted to Rs. 553.65 lakhs. After providing Rs. 228.65 lakhs for taxation, the net profit amounted to Rs. 325.00 lakhs as against Rs. 290.40 lakhs for the year 1972-73. The appropriations to reserves amounted to Rs. 265.00 lakhs compared with Rs. 233.70 lakhs last year.

Dividend

With the transfer of Rs. 100.00 lakhs to the General Reserve Fund out of profits for the year, the total amount in the Fund exceeded the paid-up share capital

of the Corporation as on the 30th June, 1974 by Rs. 1.0 crore. As permissible under Section 32 of the IFC Act as amended, the Corporation has declared dividend of 6% on the paid-up capital in respect of the year ended the 30th June, 1974.

Schedule attached to the Balance Sheet

94. The schedule attached to the Balance Sheet gives particulars in respect of the following :—

(i) Debts due by concerns in which the Directors of the Corporation are interested as Directors.

(ii) Total amount of loans disbursed during the year to concerns in which the Directors of the Corporation are interested as Directors.

Of the loans aggregating Rs. 192.59 lakhs due from concerns in which the Directors of the Corporation are interested as Directors, loans for Rs. 120.43 lakhs were sanctioned prior to the dates on which the concerned Directors became the Directors of the Corporation and the balance of Rs. 72.16 lakhs after they became Directors of the Corporation which constituted about 0.4% of the total outstanding loans of Rs. 193.21 crores. The total amount of loans disbursed during the year to concerns in which the Directors of the Corporation are interested as Directors amounted to Rs. 70.63 lakhs.

WORKING RESULTS FOR THE LAST FIVE YEARS

95. A summary of the profit and loss account of the Corporation for the last five years is given in the following table :—

TABLE 17

(Rs. Lakhs)

	For the year ended 30th June				
	1970	1971	1972	1973	1974
Interest earned	1200.34	1257.84	1383.31	1356.97	1613.24
Other income	81.23	88.11	114.81	141.20	163.28
Total income	1281.57	1345.95	1498.12	1498.17	1776.52
Interest paid	793.56	820.34	847.84	917.13	1006.52
Discount and brokerage on bonds ..	1.37	1.17	3.26	7.61	3.68
Establishment expenses, inclusive of medical fees and expenses and interest on employees' provident fund	35.03	48.24	61.33	71.03	89.20
Donation to National Defence Fund ..	—	—	5.00	—	—
Grant to Management Development Institute	—	—	—	—	5.00
Other expenses and losses on sale of investments	18.79	28.94	97.11	50.47	118.47
Total expenditure	848.75	898.69	1014.54	1046.24	1222.87
Gross profit	432.82	447.26	483.58	451.93	553.65

—68—

Provision for depreciation in the value of investments	—	—	48.00	—	—
Provision for taxation	237.00	237.00	216.83	161.53	228.65
Net profit	195.82	210.26	218.7*	290.40	325.00
To reserves	171.19	168.53	176.88	233.70	265.00
To dividend	24.63	41.73	41.87	56.70	60.00

Board of Directors Chairman

96. In terms of Section 10(1) (a) of the IFC Act, 1948, the Central Government appointed Shri C. D. Khanna, as the Chairman of the Corporation, *vide* their notification No. F. 2(90) IF. I/73 dated the 23rd April, 1974 for a further period from the afternoon of the 18th May, 1974 to the 21st March, 1975.

Other Directors

At the Annual General Meeting of the Corporation held on the 27th September, 1973, the following Directors were elected. Shri A. B. Majumdar was elected a Director under Section 10 (1)(c) of the IFC Act, 1948, to represent scheduled banks, vice Shri S. J. Utamsing; Shri R. M. Mehta was elected a Director under Section 10 (1) (d) to represent insurance concerns, investment trusts and other like financial institutions vice Sardar Santokh Singh, and Shri N. S. Sapkal was elected a Director under Section 10 (1) (e) to represent co-operative banks vice Shri N. A. Kalyani.

The Board place on record their appreciation of the valuable services rendered by Shri S. J. Utamsing, Sardar Santokh Singh and Shri N. A. Kalyani, while they were associated with the Corporation and extend their welcome to the new Directors.

Meetings of the Board and Other Committees

97. Twelve meetings of the Board were held during the year, seven in New Delhi and one each at Madras, Chandigarh, Calcutta, Hyderabad and Poona.

Three meetings of the Committees of the Board were also held during the year.

Advisory Committees

98. The number of meetings of the various Advisory Committees held during the year is as follows:

<i>Name of the Advisory Committees</i>	<i>Number of meetings held</i>
Chemical Process and Allied Industries	9
Engineering	10
Sugar	5
Textiles	6
Jute	2
Hotels (set up w.e.f. 1-12-1973)	3

These meetings considered applications for various types of financial assistance from 77 concerns. One meeting of the Steering Committee set up by the Advisory Committee (Hotels) to consider matters relating to the commissioning of a study of the market potential of the hotel industry was also held during the year.

The Corporation continued to maintain a panel of technical experts and consultants for various industries to have the benefit of their special expertise and to co-opt them where necessary, on the appropriate Committees as members.

Offices of the Corporation

99. With effect from the 1st September, 1973, the Branch Offices of the Corporation at Bombay, Calcutta and Madras were raised to the status of Regional Offices and the Delhi Division Office started working as a Branch Office. Five new offices of the Corporation were opened during the year. Offices were opened at Chandigarh on the 9th July, 1973, at Bhopal on the 16th July, 1973, at Cochin on the 1st August, 1973, at Jaipur on the 3rd October, 1973, and at Poona on the 24th June, 1974. With the opening of these offices, the Corporation has now seventeen offices including the Head Office. Steps are underway for opening an office at Nagpur.

100. While sanction and disbursement of financial assistance are being considered at the Head Office of the Corporation, substantial executive powers have been delegated to the Regional Offices/Branches for minimising references to Head Office on various requests from assisted concerns as also to shorten the time-lag between sanction and disbursement of loans. Such powers delegated to the Regional Offices/Branches relate to matters pertaining to investigation of title, legal documentation, recovery of interest and principal, sale of minor items of mortgaged assets, according permission for pledge/sale/

transfer of shareholdings, raising of deposits/unsecured loans etc. by them, insurance of mortgaged assets, refund/settlement of insurance claim amounts and several other such matters relating to operational aspects and follow-up.

To keep themselves abreast of the affairs and the performance of the assisted concerns, periodical site inspections of the projects are being carried out by the Regional Offices/Branches. Senior officers of the Corporation posted at its offices also serve as nominees of the Corporation on the boards of the assisted concerns.

As a result of such delegation of powers to Regional Offices/Branches as above, there has been considerable decentralisation of work in the Corporation.

Progressive use of Hindi in the Corporation

101. In pursuance of Government's policy regarding the progressive use of Hindi for official purposes, the Corporation is making efforts to promote the use of Hindi in the Corporation, to the extent possible. As in the previous years, the Corporation has brought out the Hindi version of the Annual Report on the working of the Corporation for the year ended the 30th June, 1973. In pursuance of the provisions of the Official Languages Act, 1963, the Corporation is releasing its Gazette notifications, press communiques, notices etc. both in Hindi and English. All letters received in Hindi are replied to in Hindi. One of the Management Committees constituted at Head Office meets as Official Language Implementation Committee (OLIC) once in three months, to watch the progress and take necessary steps for the progressive use of Hindi in the Corporation. The Corporation is also encouraging its staff to avail of the facilities for acquiring knowledge of Hindi, provided by the training classes conducted by the Ministry of Home Affairs.

A pamphlet titled "Sujhav Yojana" for internal circulation was also issued for the benefit of the staff. The Corporation also proposes to issue a few brochures in Hindi for the benefit of its prospective clients.

Training of Personnel

102. The Corporation is paying considerable attention to the various aspects of executive development. Its officers are deputed to various management institutions in the country and abroad. Thirty officers of the Corporation attended the courses conducted by the Bankers Training College, Bombay, National Institute for Training in Industrial Engineering, Bombay, Management Development Institute (sponsored by the Industrial Finance Corporation of India), New Delhi, Indian Institute of Management, Calcutta, etc. One officer attended a course on

Feasibility Study conducted by the Asian Productivity Organisation, Japan. Another officer attended the first Development Banking Course conducted by the Economic Development Institute of the International Bank for Reconstruction and Development, Washington, USA. In-company programmes were also organised for the officers at the Head Office. A workshop for the staff of the Madras Regional Office was also organised.

Changes in Senior Management

103. Dr. M. P. Khera joined as Technical Adviser in the Corporation on the 14th November, 1973.

104. Shri S. N. Pai, Officer on Special Duty was relieved of his charge on the 31st December, 1973 to enable him to join as Managing Director, Tamil Nadu Industrial Investment Corporation Limited.

105. Shri R. B. Mathur was promoted as Deputy General Manager with effect from the 1st February, 1974 and Shri M. S. Nagrath was promoted to the post of Assistant General Manager with effect from the 1st February, 1974.

Auditors

106. M/s. Ray & Ray, Calcutta were re-appointed by the Industrial Development Bank of India as auditors of the Corporation for the year ended the 30th June, 1974. At the Annual General Meeting of the shareholders of the Corporation held on the 27th September, 1973, M/s. Haribhakti & Co., Bombay, were elected auditors by the shareholders, other than IDBI, for the same period. M/s. Haribhakti & Co. will retire at the end of the year but are eligible for re-election.

Acknowledgement of Assistance Received

107. The Board wish to place on record their appreciation of the co-operation and assistance received from the various Ministries and Departments of the Government of India and from the all-India financial institutions. The Board are grateful to the members, who have served on the various Advisory Committees of the Corporation, for their valuable assistance and advice, and also to the non-officials, who have served as the Corporation's nominees on the Boards of Directors of the various assisted concerns. The Board also wish to express their appreciation for the loyal and devoted service put in by the officers and the staff of the Corporation during the year.

On behalf of the Directors

C. D. KHANNA
Chairman.

INDUSTRIAL FINANCE

NEW

Balance Sheet as at

Previous Year	Liabilities	This Year
Rs.	Rs.	Rs.
1. SHARE CAPITAL		
Authorised :		
<u>20,00,00,000</u>	40,000 share of Rs. 5,000/- each	<u>20,00,00,000</u>
Issued, Subscribed and paid-up		
(Guaranteed by Government of India as to the repayment of principal and payment of minimum annual dividend under Section 5).		
5,00,00,000	10,000 shares of Rs. 5,000/- each fully paid-up with a guaranteed minimum annual dividend at 2½%	5,00,00,000
2,00,00,000	4,000 (Second Series) share of Rs. 5,000/- each fully paid-up with a guaranteed minimum annual dividend at 4%	2,00,00,000
1,34,60,000	2,692 (Third Series) shares of Rs. 5,000/- each fully paid-up with a guaranteed minimum annual dividend at 4½%	1,34,60,000
1,65,40,000	3,308 (Fourth Series) shares of Rs. 5,000/- each fully paid-up with a guaranteed minimum annual dividend at 4½%	1,65,40,000
<u>10,00,00,000</u>		<u>10,00,00,000</u>
2. RESERVES AND RESERVE FUND		
(i) General Reserve Fund (Under Section 32)		
9,17,30,000	Balance as per last Balance Sheet	10,00,00,000
82,70,000	Transferred from Profit & Loss Account	1,00,00,000
<u>10,00,00,000</u>		<u>11,00,00,000</u>
1,00,00,000	(ii) Special Reserve Fund (Under Section 32-A)	1,00,00,000
(iii) Benevolent Reserve Fund (Under Section 32-B)		
40,00,000	Balance as per last Balance Sheet	38,71,254
	Transferred from Profit & Loss Account	40,00,000
<u>40,00,000</u>		<u>78,71,254</u>
1,28,746	<i>Less : Amount utilised</i>	1,34,739
<u>38,71,254</u>		<u>77,36,515</u>
<u>11,38,71,254</u>		
<u>10,00,00,000</u>	C/o	<u>12,77,36,515</u> <u>10,00,00,000</u>

CORPORATION OF INDIA
DELHI
30th June, 1974

Previous Year	Assets	This Year		
		Rs.	Rs.	Rs.
1. CASH AND BANK BALANCES				
22,412	(i) Cash in hand at Head Office and at Branches		21,929	
18	(ii) Stamps in hand		18	
	(iii) Balance with Banks			
	(a) On Current Account			
1,23,26,612	In India	1,45,61,266		
8,748	Outside India	72,008		
1,23,35,360		1,46,33,274		
10,52,50,000	(b) On fixed Deposit Account	7,14,00,000		
11,75,85,360			8,60,33,274	
	(iv) Cash and Bank Balances of Industrial Finance Corporation Staff Welfare Fund			
4	(a) Cash in hand			
	(b) Balance with Banks			
64,939	(i) In savings Bank Account	1,65,000		
1,25,000	(ii) In Fixed Deposit Account	88,010		
1,89,939			2,53,010	2,53,010
1,89,943				8,63,08,231
11,77,97,733				
2. INVESTMENT AT COST				
	(i) Under Section 20			
21,00,000	Initial Capital of Unit Trust of India		21,00,000	
	(ii) Under Section 23 (1) (d)			
14,83,00,350	(a) Stocks, Shares, Bonds & Debentures of Industrial concerns	15,09,67,713		
1,15,250	(b) Application money paid on shares debentures etc.	—	15,09,67,713	
14,84,15,600				
	(iii) Under Section 23 (1) (f)			
2,25,88,070	(a) Shares	2,21,82,470		
5,88,750	(b) Application money paid on shares	—	2,21,82,470	
2,13,76,820				
17,36,92,420				
11,77,97,733	C/o		17,52,50,183	8,63,08,231

BALANCE

Previous Year	Liabilities	This Year
Rs.	Rs.	Rs.
10,00,00,000	B/F . . .	10,00,00,000
11,38,71,254	RESERVES & RESERVE FUND (Contd.)	12,77,36,515
(iv) Special Reserve Fund [Under Section 36 (1) (viii) of the Income Tax Act, 1961]		
3,79,78,362	Balance as per last Balance Sheet . . .	4,19,78,362
40,00,000	Transferred from Profit & Loss Account . . .	46,00,000
4,19,78,362		4,65,78,362
(v) Staff Welfare Fund		
2,00,000	Balance as per last Balance Sheet . . .	2,93,232
6,768	Less : Amount utilised . . .	28,285
1,93,232	Add : Amount transferred from Profit & Loss Account . . .	2,64,947
1,00,000		1,00,000
2,93,232		3,64,947
15,61,42,848		17,46,79,824
3. SPECIFIC GRANT FROM GOVERNMENT		
—	Balance as per last Balance Sheet . . .	23,000
20,23,000	Grant received in terms of Agreement with Kreditanstalt Fur Wiederaufbau — . . .	17,93,000
20,23,000		18,16,000
20,00,000	Less : Amount utilised . . .	18,16,000
23,000		
4. RESERVE FOR DOUBTFUL DEBTS		
2,03,00,000	Balance as per last Balance Sheet . . .	2,73,00,000
—	Less : Bad Debts written off during the year . . .	51,20,379
2,03,00,000		2,21,79,621
70,00,000	Transferred from Profit & Loss Account . . .	78,00,000
2,73,00,000		2,99,79,621
5. AMOUNTS HELD IN SUSPENSE		
4,06,01,435	(i) Interest held in suspense . . .	4,38,77,620
4,48,958	(ii) Commitment charges held in suspense . . .	43,857
1,00,104	(iii) Incidental charges held in suspense . . .	1,46,225
3,051	(iv) Guarantee Commission held in suspense . . .	84,653
4,11,53,548		4,41,52,355
32,46,19,396	C/o.	34,88,11,800

SHEET (Contd.)

Previous Year	Assets	This Year
Rs.	Rs.	Rs.
11,77,97,733	B/F.	8,63,08,231
17,36,92,420	INVESTMENT AT COST (contd.)	17,52,50,183
	(iv) Under Section 23(1) (i)	
1,27,35,000	(a) Debentures.	1,07,45,000
—	(b) Shares	1,80,000
1,27,35,000		1,24,25,000
		18,76,75,183
18,64,27,420	(a) Quoted Investments Book Value Rs. 13,14,42,970 Market Value Rs. 13,77,92,291 (b) Investments, quotation for which are not available Book Value Rs. 5,62,32,213	
3. LOANS AND ADVANCES		
1,56,32,38,687	In Indian Currency	1,67,90,36,633
28,82,20,777	In Foreign Currencies.	27,86,55,723
1,85,14,59,464		1,95,76,92,356
(Details of loans and advances to concerns in which Directors of the Corporation are interested are given in the Schedule).		
4. LAND (LEASEHOLD) AND BUILDINGS (At Cost)		
12,16,050	Balance as per last Balance Sheet	12,16,050
—	Additions during the year	15,88,054
12,16,050		28,04,104
	Less : Depreciation for the year	37,195
12,16,050		27,66,909
5. MOTOR CARS, CYCLES, FURNITURE, FIXTURES, FITTINGS ETC: (At Cost)		
18,98,056	(i) Balance as per last Balance Sheet	21,34,232
2,86,080	Additions during the year	1,94,417
21,84,136		23,28,649
49,904	Less : Cost of Assets sold/discarded	29,751
21,34,232		22,98,898
6,11,095	Less : Depreciation upto last year. 7,75,383	
1,90,422	Depreciation for the year. 1,90,581	
8,01,517		9,65,964
21,34,232		
2,15,69,00,667	C/o	22,98,898
		2,23,44,42,679

BALANCE

Previous Year	Liabilities	This Year
Rs.	Rs.	Rs.
32,46,19,396	B/F.	34,88,11,800
6. PROVISION FOR DEPRECIATION IN THE VALUE OF INVESTMENTS		
48,00,000	Balance as per last Balance Sheet.	—
25,50,000	<i>Less</i> : Amount utilised	—
22,50,000		—
22,50,000	<i>Less</i> : Transferred to Profit & Loss Account.	—
7. BONDS (UNSECURED—ISSUED UNDER SECTION 21—GUARANTEED BY THE GOVERNMENT OF INDIA)		
6,00,33,100	(i) 4½% Bonds 1974	6,00,33,100
4,45,50,000	(ii) 4½% Conversion Bonds 1976	4,45,50,000
6,58,48,100	(iii) 4½% Bonds 1976.	6,58,48,100
2,00,00,000	(iv) 5½% Bonds 1977.	2,00,00,000
6,12,90,000	(v) 5½% Bonds 1978.	6,12,90,000
8,24,86,700	(vi) 5½% Bonds 1979.	8,24,86,700
8,33,30,800	(vii) 5½% Bonds 1980.	8,33,30,800
5,50,00,000	(viii) 5½% Bonds 1981.	5,50,00,000
4,95,00,000	(ix) 5½% Bonds 1982.	4,95,00,000
8,80,08,800	(x) 5½% Bonds 1983.	8,80,08,800
11,00,67,300	(xi) 5½% Bonds 1984.	11,00,67,300
13,16,67,800	(xii) 5½% Bonds 1985.	13,16,67,800
	(xiii) 6% Bonds 1986.	7,99,08,000
85,17,82,600		93,16,90,600
8. BORROWINGS		
2,68,00,000	(i) From Reserve Bank of India— Secured by Bonds issued by the Corporation of the face value of Rs. 3·25 crores [under Section 21(3) (b)].	77,50,000
—	(ii) From Industrial Development Bank of India [under Section 21(4)].	5,00,00,000
69,26,83,632	(iii) From Government of India [under Section 21(4)].	65,68,24,125
20,23,000	(iv) From Government of India in terms of Agreement with Kreditanstalt Fur Wiederaufbau.	38,16,000
23,40,39,696	(v) From Foreign Credit Institutions in foreign currencies.	23,03,43,669
95,55,46,328		94,87,33,794
2,13,19,48,324	C/o	2,22,92,36,194

SHEET (Contd.)

Previous Year	Assets	This Year	
Rs.	Rs.	Rs.	Rs.
2,15,69,00,667	B/F.		2,23,44,42,679
MOTOR CARS, CYCLES, FURNITURE, FIXTURES, FITTINGS ETC. (At Cost) (Contd.)			
21,34,232		9,65,964	22,98,898
8,01,517			
26,134	Deduct : Depreciation on assets sold/ discarded	13,558	9,52,406
7,75,383			
13,58,849			13,46,492
—	(ii) Furniture & Fixtures of Industrial Finance Corporation Staff Welfare Fund : (At Cost) Purchased during the year	6,482	
—	Less : Depreciation for the year	648	
—			5,834
13,58,849			13,52,326
6. OTHER ASSETS			
(a) Interest accrued but not due :			
8,27,973	(i) On Fixed Deposit with Banks	2,38,719	
16,58,846	(ii) On Debentures	15,85,530	
2,09,53,053	(iii) On Loans & Advances	2,61,30,798	
1,95,291	(iv) Others	2,96,130	
2,36,35,163			2,82,51,177
12,94,607	(b) Commitment and other charges accrued	10,89,370	
52,67,123	(c) Sundry Debtors	1,82,23,018	
18,99,771	(d) Advances to staff	22,39,292	
97,739	(e) Stocks of Stationery	1,09,702	
60,459	(f) Telephone Deposits	52,881	
93,719	(g) Prepaid Expenses	58,953	
1,15,50,352	(h) Cheques in hand and under collection	1,48,12,342	
3,06,294	(i) Difference in Exchange	—	
—	(j) Agency Commission accrued on Hotel Deve- lopment Loan	64,127	6,49,00,862
4,42,05,227			
7. CONSTITUENTS' LIABILITIES			
Items per contra :			
5,18,76,356	(a) Guarantees (Under Section 23(I)(b))	4,27,12,019	
5,18,76,356			
2,20,24,64,743	C/o	4,27,12,019	2,30,06,95,867

BALANCE

Previous Year	Liabilities	This Year
Rs.	Rs.	Rs.
2,13,19,48,324	B/F.	2,22,92,36,194

9. CURRENT LIABILITIES & PROVISIONS

A. Current Liabilities

1,16,99,927	Sundry Creditors	1,41,25,371
	Interest accrued but not due :	
1,34,02,490	(a) On Borrowing from	
	(i) Government of India	1,26,72,205
8,31,900	(ii) Foreign Credit Institutions in Foreign Currencies	6,69,404
1,42,24,390		1,33,41,609
1,04,88,679	(b) On Bonds	1,07,68,357
2,47,23,069		2,41,09,966
6,00,859	Advance Guarantee Commission	4,73,933
72,700	Advance received on account of legal charges	1,02,800
193	Unclaimed dividend	424
—	Difference in Exchange	32,72,724
1,15,50,352	Cheques in hand and under collection	—
22,814	Commitment charges accrued on borrowings from foreign credit institutions in foreign currencies	826
4,86,69,914		4,20,86,044

B. Provisions

(i) Provision for taxation :				
4,59,27,479	Balance as per last Balance Sheet	6,71,26,550		
2,11,99,071	Add : Provision for the year	2,61,20,441		
6,71,26,550		9,32,46,991		
—	Less : Refunds received and other adjustments during the year	2,17,21,587		
6,71,26,550		7,15,25,404		
81,82,716	Less : Tax deducted at source	72,89,963		
4,77,24,392	Advance tax paid	4,70,37,569	5,43,27,532	1,71,97,872
5,59,07,108				
1,12,19,442	(ii) Proposed dividend		60,00,000	2,31,97,872
56,69,663				
1,68,89,105	C/o.			2,29,45,20,110
2,19,75,07,343				

SHEET (contd.)

Previous Year	Assets	This Year
Rs.	Rs.	Rs.
2,20,24,64,743	B/F.	2,30,06,95,867
5,18,76,356	CONSTITUENTS' LIABILITIES (contd.)	4,27,12,019
7,31,74,968	(b) Foreign loan guarantees (under Section 23(1) (c)).	6,07,13,874
94,91,242	(c) Deferred French Credit on account of principal amount	86,73,525
13,43,42,566		10,20,99,418
2,33,70,07,309	C/o.	2,40,27,95,285

BALANCE

Previous Year	Liabilities	This Year
Rs.		Rs.
2,19,75,07,343	B/F.	2,29,45,20,110
10. INDUSTRIAL FINANCE CORPORATION		
49,57,400	EMPLOYEES' PROVIDENT FUND	61.75,757
	11: PROFIT AND LOSS ACCOUNT	
2,90,39,663	Net Profit as per Profit and Loss Account	3,25,00,000
	Less : (a) Amounts transferred to—	
82,70,000	(i) General Reserve Fund 1,00,00,000	
40,00,000	(ii) Special Reserve Fund under Sect. 35(1) (viii) of the Income Tax Act, 1961 46,00,000	
40,00,000	(iii) Benvolent Reserve Fund 40,00,000	
1,00,000	(iv) Staff Welfare Fund 1,00,000	
	(v) Reserved for Doubtful	
70,00,000	Debts 78,00,000	2,65,00,000
2,33,70,000		
56,69,663	(b) Proposed Dividend	60,00,000 3,25,00,000
2,90,39,663		
12. CONTINGENT LIABILITIES		
	(i) Items per Contra:	
5,18,76,356	(a) Guarantees (under Section 23(1)(b))	4,27,12,019
7,31,74,968	(b) Foreign loan guarantees (under Section 23(1)(c))	5,07,13,874
94,91,242	(c) Deferred French Credit on account of principal amount	86,73,525 10,20,99,418
13,45,42,566		
	(ii) Underwriting contracts (under Sec. 23(1)(d)) (Previous year—Rs. 27,00,000)	42,00,000
	(iii) Uncalled amount in respect of partly paidup shares held as investment under Sec. 23(1)(d) and Sec. 23(1)(f) (Previous year—Rs. 68,74,500)	24,64,977
2,33,70,07,309		2,40,27,95,285

As per our report attached
HARIBAKTI & Co.
RAY & RAY
Chartered Accountants

A. B. Majumdar
C. P. Shah
Bishnu Banerjee
R. M. Mehta
B. C. Randeria

N. S. Sapkal
W. C. Shriramal
C. S. Venkat Rao
F. K. F. Nariman

} Director

SHEET (contd.)

Previous Year	Assets	This Year		
		Rs.	Rs.	Rs.
2,33,70,07,309	B/F.			2,40,27,95,285
2,33,70,07,309				2,40,27,95,285
		Baldev Pasricha <i>General Manager</i>		C.D. Khanna <i>Chairman</i>

NOTES :

1. No provision has been made for depreciation in the value of Investments held by the Corporation because it is felt by the Corporation that such depreciation is a normal incident of the business of a development bank.

NOTES (contd.)

2. Investments under Section 23 (1) (d) include a sum of Rs. 1,97,900/- in the equity share capital of a Company which has gone into voluntary liquidation and the Corporation is not likely to realise the full amount invested. No specific provision has been made in respect thereof.
3. It is considered that the 'Reserve for Doubtful Debts' and the amount standing to the credit of 'Interest held in Suspense Account' are sufficient to cover the doubtful loans, advances and Sundry Debtors.
4. 'Commitment and other charges accrued' include a sum of Rs. 43,857/- due from two concerns which is considered doubtful of recovery and is held in Suspense.
5. 'Sundry Debtors' include—
 - (a) a sum of Rs. 7,87,975/- recoverable from certain sub-borrowers on account of their additional liability in respect of instalments of principal repaid by them prior to the devaluation of the rupee in June, 1966. The amount is in dispute and considered doubtful of recovery. No specific provision has been made in respect thereof.
 - (b) a sum of Rs. 1,25,00,000/- being the amount due from a State Government in respect of the sale price of shares of an assisted concern sold to them under a Rehabilitation Scheme (see Note I to Profit & Loss Account). The sale proceeds are receivable in six annual instalments commencing from 1976.
6. No provision has been made in respect of liability for future gratuity payable to members of the Staff (amount not ascertained).
7. Previous year's figures have been regrouped wherever necessary.

**INDUSTRIAL FINANCE CORPORATION OF INDIA,
NEW DELHI**

Schedule showing particulars in respect of Loans and Advances referred to in the Balance Sheet as
at 30th June, 1974

	Rs
(a) Debts due by concerns in which the Directors of the Corporation are interested as Directors.	1,92,59,446
(b) Total amount of loans disbursed during the year to concerns in which the Directors of the Corporation are interested as Directors	70,63,231
(c) Total amount of instalments whether of principal or interest overdue by concerns in which Directors of the Corporation are interested as Directors	—

INDUSTRIAL FINANCE
NEW
Profit & Loss Account for the

Previous Year	Expenditure	This Year
Rs.	Rs.	Rs.
9,17,12,854	To Interest on Bonds, Borrowings etc.	10,06,51,920
1,68,630	,, Commitment charges on Foreign Currency Loans	1,79,291
7,60,703	,, Brokerage on Bonds.	3,68,249
1,29,490	,, Loss on sale of investments.	71,59,548
71,03,452	Establishment Expenses	89,20,175
2,53,532	,, Directors' and Committee Members' Fees and Expenses	2,72,863
19,67,655	,, Rent, Taxes, Insurance and Lightings a	19,86,617
3,17,482	,, Postage, Telegrams, Stamps and Telephones	3,49,470
6,05,433	,, Printing, Stationery and Advertisement	6,41,423
30,290	,, Law Charges	9,073
25,000	,, Audit Fees	32,000
3,51,814	,, Travelling and Halting Expenses	3,05,080
10,07,597	,, Other Expenditure	6,83,247
	,, Bad Debts written off	51,68,285
	<i>Less : Adjusted against</i>	
	(i) Reserve for Doubtful Debts	51,20,379
	(ii) Interest held in Suspense Account	47,906
		<u>51,68,285</u>
1,90,422	,, Depreciation	2,27,776
—	,, Grant to Management Development Institute.	5,00,000
2,11,99,071	,, Provision for taxation	2,61,20,441
50,45,741	<i>Less : Income tax refund and adjustments in respect of earlier years.</i>	32,55,329
		<u>2,28,65,112</u>
1,61,53,330		
2,90,39,663	,, Net Profit carried to Balance Sheet	3,25,00,000
14,98,17,347		<u>17,76,51,844</u>

As per our report attached.

HARIBHAKTI & CO.

RAY & RAY

Chartered Accountants

A. B. Majumdar
C. P. Shah
Bishnu Banerjee
R. M. Mehta
B. C. Randeria

} Directors

Baldev Pasricha
General Manager

C. D. Khanna
Chairman

N. S. Sapkal
W. C. Shrivimal
C. S. Venkat Rao
F. K. F. Nariman

} Directors

CORPORATION OF INDIA

DELHI

Year ended the 30th June, 1974

Previous Year	Income	This Year
Rs.		Rs.
13,56,97,130	By Interest	16,13,24,011
26,72,579	,, Commission	21,06,466
30,16,473	,, Profit on sale of Investments.	71,24,348
9,886	,, Profit on sale of assets	1,232
38,05,980	,, Dividend on Shares	26,25,225
21,38,941	,, Commitment Charges.	42,50,083
2,26,358	,, Miscellaneous Income	2,20,479
22,50,000	,, Provision for Depreciation in the value of investments written back	—
14,98,17,347		17,76,51,844

NOTES :

- During the year, a scheme for rehabilitation of an assisted concern which had been in default for many years was finalised. Under the scheme certain shares were allotted at par to the Corporation in satisfaction of its dues and were immediately sold at a price below the par value to a State Government. As a result of the scheme an amount of Rs. 1,12,02,053/- former by credited to the interest held in Suspense Account was transferred to Interest Account, a sum of Rs. 4,33,270/- formerly credited to Commitment Charges held in Suspense Account was transferred to Commitment Charges Account, a sum of Rs. 2,05,180/- being commitment charges due for earlier years and written off but recovered under the scheme was credited to Commitment Charges Account and a sum of Rs. 71,13,923/- was incurred by way of loss on sale of shares. The above amounts are included in the Profit & Loss Account under the respective heads.
- Apart from what is stated in Note 1, a sum of Rs. 21,63,706/- was transferred from Interest held in Suspense Account to Interest Account on recovery of the arrears of interest credited in earlier years to the former account.
- Interest does not include a sum of Rs. 1,67,26,635/- considered doubtful of recovery and held in Suspense Account.
- Interest has not been charged on certain accounts where court decrees have been obtained by the Corporation.
- Commission does not include a sum of Rs. 82,227/- considered doubtful of recovery and held in Suspense Account.
- Commitment Charges does not include a sum of Rs. 43,857/- considered doubtful of recovery and held in Suspense Account.
- Miscellaneous Income does not include Rs. 46,121/- on account of Incidental Charges considered doubtful of recovery and held in Suspense Account.
- Establishment Expenses includes a sum of Rs. 5,01,044/- on account of Dearness Allowance paid to Officers in respect of earlier years.
- During the year, the Corporation was appointed as an agent of the Government of India, Department of tourism, for follow-up and recovery of the loans aggregating to Rs. 5,25,66,357/- already granted to various Hotel Companies by the said Department under the Hotel Development Loan Scheme. 'Commission' includes a sum of Rs. 1,21,663/- by way of Commission earned by the Corporation in respect of the said Agency.
- Bad debts written off include a sum of Rs. 45,62,186/- ascertained to be irrecoverable on the take-over of certain assisted concerns under Government enactments.

APPENDIX A

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)						Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under-writings	Guarantees	Total	Cost of the project	8	
1	2	3	4	5	6	7		
ANDHRA PRADESH								
1.	M/s. Associated Glass Industries Ltd., Kukatpally, Distt: Hyderabad.	7.50	—	—	7.50 (addl.)	50.50	Financial reconstruction of the Company's project with the manufacturing capacity of 24,000 tonnes of glassware and 1,500 tonnes of crystalware per annum.	
	<i>Chairman : Dr. Syed Hussain Zaheer, Managing Director : D. R. K. Reddy.</i>							
2.	M/s. Deccan Sugar and Abkhari Co. Ltd., (i) Samalkot, Distt: East Godavari, (ii) Pugalur, Distt : Tiruchirapalli. (Notified backward district) Tamil Nadu.	40.00	—	—	40.00 (addl.)	294.07	Expansion in the crushing capacity of (i) the Samalkot unit from 1,000 to 1,500 tonnes and (ii) the Pugalur unit from 1,500 to 1,800 tonnes of sugarcane per day.	
	<i>Chairman : H. V. R. Iyengar, I.C.S. (Retd.), Chief Executive : S. N. Lal. (Parry Group).</i>							
3.	M/s. Gangappa Cables Ltd., Hyderabad.	30.00	—	—	30.00*	140.00	Expansion scheme envisaging (i) an increase in the capacity for the manufacture of enamelled copper wires from 570 to 1070 tonnes per annum; and (ii) the manufacture of 600 tonnes of enamelled copper strips and 300 tonnes of covered copper strips per annum.	
	<i>Chairman : Anil De, I.A.S., Managing Director : T. G. V. Naidu.</i>							
4.	M/s. Hotel Banjara Ltd., Hyderabad.	50.00	7.50	—	57.50	189.00	A new hotel of international standards with 112 double bed rooms.	
	<i>Chairman : Ghevarchand Jain, Proposed Managing Director: G. V. Krishna Reddy.</i>							
5.	M/s. Hotel Parklane (Private) Ltd., Secunderabad, Distt: Hyderabad.	15.00	—	—	15.00	37.50	A new 3-star hotel with 49 double rooms.	
	<i>Managing Director : D. Narasimha Rao.</i>							
6.	M/s. Sarvaraya Textile Ltd., (i) Kakinada, Distt : East Godavari. (ii) Vizianagaram, Distt: Visakhapatnam.	25.00	—	—	25.00 (addl.)	46.40	Modernisation programme envisaging replacement of 20 ring frames and conversion of existing conventional fillet clothing of the cards by metallic wire clothing.	
	<i>Managing Directors : S. B. P. V. Chalapati Rao, S. B. P. B. K. Satyanarayana Rao.</i>							
7.	M/s. Telengana Spinning & Weaving Mills Ltd., Balanagar, Hyderabad.	35.00	—	—	35.00 (addl.)	62.86	Expansion scheme envisaging an increase in the spindlage from 15,552 to 24,792.	

*Since cancelled.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)					Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under- writings	Guaran- tees	Total	Cost of the project	
1	2	3	4	5	6	7	8
8.	M/s. West Godavari Co-operative Sugars Ltd., Eluru, Distt : West Godavari. <i>President : K. Suryanarayana, Managing Director : M. K. R. Vinayak.</i>	20.00*			20.00 (addl.)	43.00 (over- run)	For meeting a part of the over-run in the cost of setting up a new sugar factory with a crushing capacity of 1,250 tonnes of sugarcane per day.
<u>ASSAM</u>							
9.	M/s. Ashok Paper Mills Ltd., Jogighopa, Distt: Goalpara. (Notified backward district). <i>Managing Director: A. D. Adhikari.</i>	33.00	—	—	33.00 (addl.)	403.00	Diversification scheme envisaging the setting up of a plant for the manufacture of 25 tonnes per day of electrolytic caustic soda/chlorine, for meeting the captive requirements of the Company's paper unit.
10.	M/s. Assam Petro-Chemicals Ltd., Namrup, Distt: Dibrugarh. <i>Director-in-charge : D. N. Barua</i>	60.00	10.00	—	70.00	900.00	New project for the manufacture of (i) 7,000 tonnes of methanol; (ii) 12,000 tonnes of formaldehyde; (iii) 13,500 tonnes of urea formaldehyde glue (adhesive) and (iv) 1,000 tonnes of urea formaldehyde moulding powder per annum.
<u>BIHAR</u>							
11.	M/s. Bihar Alloy Steels Ltd., Patratu, Distt: Ranchi. <i>Managing Director : Dr. B. C. Jain. (Birla Group)</i>	50.00	—	—	50.00 (addl.)	665.00 (over-run)	For meeting a part of the over-run in the cost of the new project for the manu- facture of 40,000 tonnes of various types of alloy tool and special steels.
12.	M/s. Bihar Hotels Ltd., Patna. <i>Managing Director: Shailendra Prakash Sinha.</i>	37.00	5.00	—	42.00	105.00	A new hotel of inter- national standards with 80 double bed rooms including 2 suites.
13.	M/s. Indo-Asahi Glass Co. Ltd., Bhurkunda, Distt: Hazaribagh. <i>Managing Director: Y. Akagi. Secretary P. N. Roy.</i>	22.50 7.50 (DM)	—	—	30.00 (addl.)	40.58	Cold repair-cum-mod- ernisation of the glass furnace and re- placement of two sheet glass drawing machines.
14.	M/s. Katihar Jute Mills Ltd., Katihar. <i>Managing Director : Vinod Kumar Chamaria.</i>	37.00* 7.00 (£ Sterling)	—	—	44.00	79.25	Modernisation of the spinning section by replacing the entire machinery from the first drawing stage to the spinning stage.

*To be reduced to the extent of LIC's participation in financing the project.

*Reduced to Rs. 27.00 lakhs consequent upon the participation by Bihar State Financial Corporation to the extent of
Rs. 10.00 lakhs.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)						Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under-writings	Guarantees	Total	Cost of the project	8	
1	2	3	4	5	6	7		
15.	M/s. Nalanda Ceramics & Industries Ltd., Getaisud, Distt: Ranchi. <i>Chairman : D. L. Mazumdar, I.C.S. (Retd.), Managing Director : S. K. Ghosh.</i>	25.00	10.00	—	35.00	254.94	New project for the manufacture of 3,000 tonnes of superior grade decorative porcelain table-ware per annum.	
16.	M/s. Tinplate Company of India Ltd., Jamshedpur, Distt: Singhbhum. <i>Chairman : S. K. Nanavati, Managing Director : A. Chakravarty.</i>	75.00	25.00	—	100.00	1490.00	Expansion envisaging the manufacture of 85,000 tonnes of electrolytic tinplate/tin free steel per annum.	
GUJARAT								
17.	M/s. Baroda Rayon Corporation Ltd., Udhna, Distt: Surat. <i>Chairman : Fateh Singhrao P. Gaekwad.</i>	—	—	3.67	3.67 (addl.)	304.37 (over-run)	For meeting a part of the over-run in the cost of the new project for the manufacture of 1,800 tonnes of Nylon-6 textile yarn per annum.	
18.	M/s. Charotar Sahakari Khand Udyog Ltd., Palaj, Distt: Kaira. <i>Chairman : Purushottamdas Khushalbhai Patel, Managing Director : Dr. Chhotubhai Jethabhai Patel.</i>	130.00*	—	—	130.00	226.68	New sugar factory with a crushing capacity of 1,250 tonnes of sugarcane per day.	
19.	M/s. Eurokote (India) Ltd., Vapi, Distt: Bulsar. <i>Chairman : G. Basu, Managing Directors: H. B. Chanchani, M. H. Dalal.</i>	7.75	0.39**	—	8.14 (addl.)	34.00 (over-run)	For meeting a part of the over-run in the cost of the new project for the manufacture of 3,000 tonnes of high gloss cast coated paper/ board per annum.	
20.	M/s. Gujarat Alkalies & Chemicals Ltd., Jawaharnagar, Distt: Baroda. <i>Managing Director: S. J. Coelho, I.A.S.</i>	100.00	30.00†	—	130.00	1140.05	New project for the manufacture of 37,425 tonnes of caustic soda, 33,000 tonnes of chlorine and 6,000 tonnes of hydrochloric acid per annum.	
HARYANA								
21.	M/s. Atlas Cycle Industries Ltd., Sonipat. <i>President : Bishamber Das Kapur, Joint President : Jaidev Kapur.</i>	22.00	—	—	22.00 (addl.)	31.72	Expansion—cum-balancing scheme envisaging an increase in the capacity for the manufacture of bicycles from 7 to 8.75 lakhs per annum and installation of a rim plant for the manufacture of 1,000 pairs of rims per day for captive use.	

*Reduced to Rs. 65.00 lakhs consequent upon LIC's participation in financing the project.

**Subscription to Rights issue.

†Including direct subscription.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)					Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under- writings	Guarantees	Total	Cost of the project	
1	2	3	4	5	6	7	8
22.	M/s. Escorts Ltd., Faridabad, Distt : Gurgaon. <i>Managing Director : H. P. Nanda.</i>	6.40 (D.M.)	—	—	6.40 (addl.)	6.40	Import of two internal grinding machines alongwith accessories.
23.	M/s. Gopichand Textile Mills Ltd., Sirsia, Distt. Hissar. (Notified backward district) <i>Managing Director : V. P. Ahuja.</i>	38.00	—	—	38.00 (addl.)	68.95	Expansion scheme envisaging an in- crease in the spind- leage from 12,096 to 18,576.
24.	M/s. Haryana Coated Papers Ltd., Faridabad, Distt : Gurgaon. <i>Chairman : B. K. Nehru, Managing Director: Prem Patnaik.</i>	4.00	0.39@	—	4.39 (addl.)	16.31 (over-run)	For meeting a part of the over-run in the cost of the new project for the manufacture of 1,800 tonnes of art and chromo paper per annum.
25.	M/s. Haryana Polysteels Ltd., Satrod, Distt: Hissar. (Notified backward district) <i>Chairman : S.K. Mishra, Managing Director : J.P. Mehta.</i>	45.00	—	—	45.00	360.00	New project for the manufacture of 46,000 tonnes of mild steel and medium and high carbon steel billets per annum.
26.	M/s Industrial Cables (India) Ltd., Quilla Zaffargarh, Distt : Jind. (Notified backward district) <i>Chairman : Ch. Raghvendra Singh, Managing Director Ch. Devinder Singh.</i>	30.00	—	—	30.00 (addl.)	41.68	Diversification-cum-balanc- ing programme en- visaging, <i>inter-alia</i> , production of 1,000 tonnes of fine steel wires at the Com- pany's existing unit having the manufactur- ing capacity of 12,000 tonnes of steel wires per annum.
27.	M/s. Northern India Glass Industries Ltd., Sankhol, Distt : Rohtak. <i>Directors . V.K. P. Kartha, P.S. Patel.</i>	40.00 15.31 (D.M.)	8.00*	—	63.31	340.00	New project for the manufacture of 5 million square metres of sheet glass per annum.
KARNATAKA							
28.	M/s. Canara Steel Ltd., Mangalore, Distt : South Kanara. (Notified backward district) <i>Chairman : J.M. Pai.</i>	31.00	6.00	—	37.00	102.31	New project for the manufacture of 18,400 tonnes of mild steel ingots/billets per annum.
29.	M/s. Davanagere Sugar Co. Ltd., Kukkawada, Distt : Chitradurga <i>Chairman . M.D. Shivananjappa, Managing Director : B.P. Balakrishna.</i>	50.00	5.00	—	55.00	400.00	New sugar factory with a crushing capacity of 1,250 tonnes of sugarcane per day.
30.	M/s. Gadag Co-operative Textile Mills Ltd., Hulkoti, Distt : Dharwar. (Notified backward district) <i>Chairman : D.R. Patil, Managing Director : B.V. Patil.</i>	100.00	—	—	100.00	220.00	New cotton textile mill with a complement of 25,056 spindles.

@Subscription to Rights issue.

*Including direct subscription to the extent of Rs. 5.00 lakhs.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)					Particulars of the pro- ject or purpose for which the assistance was sanctioned
		Loans	Under- writings	Guaran- tees	Total	Cost of the project	
1	2	3	4	5	6	7	8
31.	M/s. Guruprasad Hotels Private Ltd., Bangalore. <i>Managing Director</i> : S.N.S. Rao.	24.00	—	—	24.00	51.98	A new 3-star Hotel with 56 rooms and 3 independent cottages.
32.	M/s. NGEF Ltd., Byappanahalli, Distt : Bangalore. <i>Chairman</i> : T. Shamaappa, <i>Managing Director</i> : M. Sachidananda Moorthy, I.A.S. (Karnataka State Government Company)	14.55 (D.M.)	—	—	14.55 (addl.)	14.55	Import of an impulse voltage testing unit along with accessories in connection with the Company's diversifi- cation and cost ra- tionalisation scheme.
33.	M/s. Sandur Manganese & Iron Ores Ltd., Vyasanakere (Near Hospet). Distt : Bellary. <i>Chairman & Managing Director</i> : Y.R. Ghorpade.	20.00 50.00 (D.M.)	10.00	—	80.00	613.41	Diversification by sett- ing up a new unit for the manufacture of 24,000 tonnes of ferrosilicon per annum.
34.	M/s. Sree Valliappa Textiles Ltd., Hejjala, Distt: Bangalore. <i>Managing Director</i> : M.S. Chockalingam.	30.00	—	—	30.00 (addl.)	45.00	Expansion scheme en- visaging an increase in the spindleage from 11,856 to 18,240.
35.	M/s. W.S. Insulators of India Ltd., (i) Settigere, Distt. : Bangalore. (ii) Porur, Distt. : Chingleput, Tamil Nadu. <i>Chairman</i> : K.S. Narayanan, <i>Managing Director</i> : N.S. Sethuraman.	30.00	3.00* —	—	33.00 (addl.)	205.00	Expansion scheme envisaging (i) setting- up of a new unit for the manufacture of 400 nos. each of coupling capacitors and line traps per annum at Settigere; and (ii) an increase in the capacity for the manufacture of insu- lators from 3,600 to 6,000 tonnes per annum at Porur.
MADHYA PRADESH							
36.	M/s. Madhya Pradesh Industries Ltd., Bhopal, Distt: Sehore. (Notified backward district) (J.K. Singhania Group)	17.00 38.00 (D.M.)	10.00** —	—	65.00	226.59	New project for the manufacture of 60 million dry cell batteries per annum.
MAHARASHTRA							
37.	M/s. Anglo American Marine Co. Ltd., Aurangabad. (Notified backward district) <i>Chairman</i> : S.K. Mazumdar, <i>Chief Executive</i> : D.K. Bose.	25.00 3.07 (D.M.)	5.00	—	33.07	212.44	Diversification by sett- ing up a new unit for the manufacture of 6,000 gear hobs in different ranges per annum.
38.	M/s. Eastern International Hotels Ltd., Juhu, Bombay.	57.00	5.00	—	62.00	215.00	A new 5-star hotel of international stand- ards with 140 double bed rooms.

*Subscription to Rights issue.

**Since cancelled.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)					Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under-writings	Guarantees	Total	Cost of the project	
1	2	3	4	5	6	7	8
39.	<i>Managing Director : R.K. Khanna.</i> M/s. Firth (India) Steel Co. Ltd., Nagpur. <i>Chairman : M.P. Pai,</i> <i>Managing Director : I.M. Pai.</i>	92.00 4.50 (D.M.) 18.50 (£ Sterling)	19.94* —	—	128.94 (addl.)	310.35	Expansion by setting up a new unit for the manufacture of 4,20 tonnes of high carbon and alloy steel billets per annum.
40.	M/s. G.L. Hotels Ltd., Aurangabad. (Notified backward district)	45.00	—	—	45.00	5.69**	Expansion by setting up a new hotel of international standards with 75 double bed rooms.
41.	M/s. Gogte Steels Ltd., Tarapur, Distt : Thana. <i>Chairman : Balkrishna Mahadeo Gogte,</i> <i>Proposed Managing Director : Subir Sen.</i>	34.00	10.00@	—	44.00	390.70	New project for the manufacture of 44,000 tonnes of mild steel, medium high carbon steel and spring steel billets per annum.
42.	M/s. Jawahar Sahakari Karpus Utpadak Soot Girni Maryadit, Latur, Distt : Osmanabad. (Notified backward district) <i>General Manager : T.S. Dhotre.</i>	9.00	—	—	9.00 (addl.)	9.00	Purchase of one cone winding machine for installing 2,616 additional spindles.
43.	M/s. Kirloskar Tractors Ltd., Village Deolali, Distt : Nasik. <i>Chairman : S.L. Kirloskar,</i> <i>Proposed Managing Director : A.S. Naravane.</i> (Kirloskar Group)	18.00 36.76 (D.M.) 5.74 (£ Sterling)	10.00	—	70.39	750.00	New project for the manufacture of 6,500 agricultural tractors per annum.
44.	M/s. Kolhapur Zilha Shetkari Vinkari Sahakari Soot Girni Ltd., Ichalkaranji, Distt : Kolhapur. <i>Chairman : Mrigendra Virupaksha Sultanpure,</i> <i>Managing Director : Gajanan Ranganath Deshpande.</i>	85.00@@	—	—	85.00 (addl.)	240.14	Expansion scheme envisaging an increase in the spindleage from 25,080 to 50,160.
45.	M/s. Needle Roller Bearing Co. Ltd., Thana. <i>Chairman : Sant Singh Sahney,</i> <i>Managing Director : Trilochan Singh Sahney.</i>	5.86 (D.M.) 9.73 (DM) 18.56 (FF)	—	—	5.86 (addl.)	5.86	Import of two general purpose machines along with accessories.
					28.29 (addl.)	188.55	Expansion envisaging an increase in the production capacity of (i) needle rollers from 180 to 200 million (ii) needle bushes/ cages from 10 to 20 lakhs and (iii) needle bearings from 2.5 to 4 lakhs per annum as also the manufacture of outer shells, outer rings and thrust washers.

Including subscription to Rights issue of equity shares to the extent of Rs. 3.94 lakhs.

**Represents the additional cost; the original cost of the project i.e. Rs. 77.09 lakhs was accounted for earlier.

@Including direct subscription.

@@Reduced to Rs. 42.50 lakhs consequent upon IDBI's participation in financing the project.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Financial assistance sanctioned (Gross)

Sl. No.	Name of the concern and location of the project	Loans	Under- writings	Guaran- tees	Total	Cost of the project	Particulars of the project or purpose for which the assis- tance was sanctioned	
							8	
1	2	3	4	5	6	7		
46.	M/s. Oriental Rubber Industries Pvt. Ltd., Bhandup, Bombay.	27.20 (DM)	—	—	27.20	61.00	Import of one new belt vulcanising press.	
	<i>Chairman & Managing Director :</i> Sadanand Hakimrai.							
47.	M/s. Ramon & Demm Ltd., Thana.	50.00	0.69*	—	50.69	555.00	Expansion scheme en- visaging an in- crease in the capac- ity for the manu- facture of various types of automobile gears from 1190 to 2630 tonnes per annum.	(addl.)
	<i>Chairman & Managing Director :</i> H. K. Shah.							
48.	M/s. Shree Vindhya Paper Mills Ltd., Nasik.	20.00 18.03 (DM)	—	—	38.03	162.00	Expansion - cum- diversification scheme envisaging an in- crease in the capac- ity for the manu- facture of coated paper and board from 1,500 to 3,000 tonnes per annum as also the manufacture of 750 tonnes of laminated products per annum.	
	<i>Chairman : S. K. Soman.</i>							
49.	M/s. Shri DhyaneShwar S.S.K. Ltd., Kukana, Distt: Ahmednagar.	100.00	—	—	100.00	310.00	New [sugar factory with a crushing capacity of 1,250 tonnes of sugar- cane per day.	
	<i>Chairman : Marutrao Shankarrao Patel, Proposed Managing Director : B. B. Pawar.</i>							
50.	M/s. Vishwa Bharati Spinning & Weaving Co-operative Society Ltd., Bhiwandi, Distt : Thana.	55.00	—	—	55.00	280.00	Expansion scheme envisaging an in- crease in the spind- leage from 25,080 to 50,160.	
	<i>Chairman : Gulam Murtaza Nabi Fakih, Managing Director : Bhalchandra Laxman Gharpure.</i>							
51.	M/s. Yeshwant Sahakari Soot Girni Niyamit, Sholapur.	20.00	—	—	20.00	136.00	Expansion scheme envisaging an in- crease in the spind- leage from 12,208 to 24,968.	
	<i>Chairman : V. R. Gundu, Managing Director : G. S. Kuchan.</i>							
	ORISSA							
52.	M/s. Indian Metals & Carbide Ltd., Therubali, Distt: Koraput. (Notified backward district)	44.00 1.32 (DM)	—	—	45.32	80.00	New project for the manufacture of 600 tonnes of silicon carbide per annum.	
	<i>Director : B. D. Panda.</i>							

*Subscription to Rights issue.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Financial assistance sanctioned (Gross)

Sl. No.	Name of the concern and location of the project	Loans	Under- writings	Guaran- tees	Total	Particulars of the project or purpose for which the assis- tance was sanctioned	
						7	8
1	2	3	4	5	6		

53.	M/s. Orissa Textile Mills Ltd., Chowdwar, Distt; Cuttack.	60.00	—	—	60.00 (addl.)	340.00	Expansion / modernisa- tion scheme envi- saging <i>inter-alia</i> , ad- dition of 96 auto- matic looms and 7,040 spindles to the existing comple- ment of 965 looms and 48,528 spind- les.
-----	--	-------	---	---	------------------	--------	---

Managing Director : Pratap Singh.

54.	M/s. Punjab Con-Cast Steels Ltd., Dhandari Kalan Focal Point Estate, Distt : Ludhiana.	46.69 13.31 (£ Sterling)	10.00	—	70.00	291.00	New project for the manufacture of 36,900 tonnes of mild, high tensile/ high carbon and spring steel billets per annum.
-----	--	--------------------------------	-------	---	-------	--------	---

*Chairman : K. S. Ahluwalia, I.A.S.,
Managing Director : J. L. Oswal.*

RAJASTHAN

55.	M/s. Anil Steel & Industries Ltd., Kanakpura, Distt : Jaipur.	12.50	—	—	12.50 (addl.)	16.50 (over- run)	For meeting a part of the over-run in the cost of the new project for harden- ing and tempering of high carbon and alloy steel strips with an effective capacity of 2,400 tonnes per annum.
-----	--	-------	---	---	------------------	-------------------------	--

Promoter Director : S. N. Khaitan.

TAMIL NADU

56.	M/s. Apollo Tubes Ltd., Ranipet, Distt, North Arcot (Notified backward district)	29.00	—	—	29.00	164.43	New project for the manufacture of 25,000 tonnes of black and galvanised steel tubes and pipes per annum.
57.	M/s. Aruna Sugars Ltd., Pennadam, Distt : South Arcot. (Notified backward district)	35.00	—	—	35.00 (addl.)	290.00	Expansion in the crushing Capacity from 3,000 to 4,000 tonnes of sugarcane per day.
	<i>Chairman : K. Palani, Managing Director : P. Maruthai Pillai.</i>						

*Proposed General Manager :
P. R. Anthony.**Chairman : K. Palani,
Managing Director : P. Maruthai Pillai.**Chairman : K. Palani,
Managing Director : P. Maruthai Pillai.**Chairman : K. Palani,
Managing Director : P. Maruthai Pillai.**Chairman : Shriyans Prasad Jain,
Managing Directors :**(i) Gian Chand Jain,**(ii) Shashi Chand Jain,**(Shriyans Prasad Jain Group)**Chairman : Shriyans Prasad Jain,
Managing Directors :**(i) Gian Chand Jain,**(ii) Shashi Chand Jain,**(Shriyans Prasad Jain Group)**Chairman : Shriyans Prasad Jain,
Managing Directors :**(i) Gian Chand Jain,**(ii) Shashi Chand Jain,**(Shriyans Prasad Jain Group)*

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)						Particulars of the project for which the assis- tance was sanctioned.
		Loans	Under- writings	Guaran- tees	Total	Cost of the project		
1	2	3	4	5	6	7	8	
59.	M/s. Mettur Chemical & Industrial Corporation Ltd., Mettur Dam, Distt : Salem. <i>Chairman : S. Narayanaswamy, Managing Director : R. V. Ramani. (Seshasayee Group)</i>	30.00 26.62 (DM)	—	—	56.62 (addl.)	421.10	Expansion scheme envisaging an increase in the capacity for the manufacture of rayon grade caustic soda from 2d,400 to 42,900 tonnes and chlorine from 23,500 to 38,020 tonnes per annum.	
60.	M/s. Oriental Hotels Ltd., Madras. <i>Managing Director : D. Subbarama Reddy.</i>	80.00*	—	—	80.00 (addl.)	**	A new 5-star deluxe hotel with 238 air-conditioned double rooms.	
61.	M/s. S. R. P. Tools Ltd., Ranipet, Distt : North Arcot. (Notified backward district) <i>Chairman : A. Nagappa Chettiar. Managing Director : S. Rm. Pl. Subramanian.</i>	30.21 (DM)	5.00†	—	35.21 (addl.)	175.50	Expansion by setting up a new unit for the manufacture of 4,000 numbers each of gear hobs and gear shaping cutters and 2,000 broaches per annum.	
62.	M/s. Southern Petrochemical Industries Corporation Ltd., Tuticorin, Distt : Tirunelveli. <i>Chairman : M. A. Chidambaram, Vice-Chairman and Executive President : K. R. Srivatsa.</i>	60.00	—	—	60.00 (addl.)	1213.98 (over-run)	For meeting a part of the over-run in the cost of the new project for the manufacture of 3,52,000 tonnes of ammonia, 5,12,000 tonnes of urea, 28,000 tonnes of diammonium phosphate and 1,60,000 tonnes of NPK fertilisers per annum.	
63.	M/s. Tamil Nadu Chemical Products Ltd., Kalanivasal, Distt : Ramanathapuram. (Notified backward district) <i>Chairman : S. Narayanaswamy, Managing Director : B. Ananthaswami.</i>	40.00	10.00	—	50.00	444.98	New project for the manufacture of 3,300 tonnes of sodium sulphite per annum.	
64.	M/s. Thiru Arooran Sugars Ltd., Vadapathimangalam, Distt : Thanjavur. (Notified backward district) <i>Chairman and Managing Director : V. S. Tyagaraja Mudaliar.</i>	90.00	—	—	90.00 (addl.)	167.00	Expansion in the crushing capacity from 1,200 to 2,000 tonnes of sugar-cane per day.	
65.	M/s. Thirumalai Chemicals Ltd., Ranipet, Distt : North Arcot. (Notified backward district) <i>Managing Director : N. T. Iyengar.</i>	50.00	15.00‡‡	—	65.00	425.00	New project for the manufacture of 6,000 tonnes of phthalic anhydride per annum.	

*Reduced to Rs. 35.00 lakhs consequent upon the participation by IDBI & ICICI in financing the project.

**Cost of the project accounted for earlier.

†Including direct subscription to the extent of Rs. 3.00 lakhs.

‡‡Including direct subscription to the extent of Rs. 5.00 lakhs.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(R s. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)						Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under- writings	Guaran- tees	Total	Cost of the project	7	
		1	2	3	4	5	6	8
UTTAR PRADESH								
66.	M/s. Allied International Products Ltd., Hazrat Nagar, Distt: Moradabad. (Notified backward district) <i>Managing Director : D. N. Sinha.</i>	—	6.30*	—	6.30 (Addl.)	**	New project for the manufacture of about 2,400 tonnes of precision industrial fasteners per annum.	
67.	M/s. Bottle Glass Ltd., Sahibabad, Distt: Meerut. <i>Managing Director : R. K. Verma</i>	7.00 44.00 (£Sterling)	5.00	—	56.00	280.00	New project for the manufacture of 18,000 tonnes of glass bottles/contai- ners and other hollow-ware per annum.	
68.	M/s. Cawnpore Textiles Ltd., Kanpur, Distt : Kanpur. <i>Chairman : P.N. Mathur, Managing Director : T. N. Sharma. (BIC Group)</i>	1.77 (DM)	—	—	1.77	2.77	Import of three nos. of Scharer super speed fully automatic pfm winders.	
69.	M/s. Kisan Sahkari Chini Mills Ltd., Madhopur, Distt: Ballia, (Notified backward district) <i>Chairman : D. C. Dubey, General Manager : V. N. Singh.</i>	135.00	—	—	135.00	349.94	New sugar factory with a crushing capacity of 1,250 tonnes of sugarcane per day.	
70.	M/s. Kisan Sahkari Chini Mills Ltd., Narainamanu, Distt: Farrukhabad. (Notified backward district) <i>General Manager : B. M. Singh, P.C.S.</i>	135.00	—	—	135.00	353.76	New sugar factory with a crushing capacity of 1,250 tonnes of sugar- cane per day.	
71.	M/s. Kumar Bronze Powders Ltd., Tarikhet, Distt: Almora. (Notified backward district) <i>Chairman : L.R.S. Singh, I.C.S. (Retd.), Proposed Managing Director : S. K. Agrawal.</i>	27.00@ 13.51 (DM)	10.00@ —	—	50.51	130.60	New project for the manufacture of 360 tonnes of bronze powder and other metallic powders per annum.	
72.	M/s. Modi Industries Ltd., Modinagar, Distt: Meerut. <i>Chairman and Managing Director : Rai Bahadur Seth Gujar Mal Modi (Modi Group)</i>	50.00	—	—	50.00 (addl.)	670.00	Expansion scheme envisaging the manufacture of 30,000 tonnes of Spring steel flats and sections, 10,000 tonnes of free cutting steel flats and sections per annum and pro- duction of Oxygen gas with an installed capacity for 180 cu. mt. per hour for cap- tive use.	

*Subscription to Rights issue.

**Cost of the project accounted for earlier.

@Subsequently reduced to Rs. 23.50 lakhs.

@@Including direct subscription to the extent of Rs. 5.00 lakhs.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)						Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under- writings	Guaran- tees	Total	Cost of the project	8	
1	2	3	4	5	6	7		
73.	M/s. Modipon Ltd., Modinagar, Distt: Meerut.	25.15 (DM)	—	—	25.15 (addl.)	140.00	Expansion scheme envisaging the manufacture of 425 tonnes of polyester chips required for the production of 360 tonnes of polyester filament yarn per annum.	
	<i>Chairman : Rai Bahadur Seth Gujar Mai Modi President : Seth Kedar Nath Modi. (Modi Group)</i>							
74.	M/s. Northern India Hotels Ltd., Agra.	50.00*	—	—	50.00 (addl.)	**	A new hotel of international standards with 84 double bed rooms.	
	<i>Chairman : R. K. Khanna, Managing Director : H. L. Khanna.</i>							
75.	M/s. Rathi Alloys & Steels Ltd., Ghaziabad, Distt: Meerut.	10.00	—	—	10.00 (addl.)	38.61 (over-run)	For meeting a part of the over-run in the cost of the project for the manufacture of 40,000 tonnes per annum of mild steel, high carbon steel and alloy steel ingots/billets which was taken up in three phases.	
	<i>Managing Director : C. R. Rathi.</i>							
76.	M/s. Soma Plumbing Fixtures Ltd., Sahibabad, Distt: Meerut.	21.10 9.38 (DM)	—	—	30.48	102.00	New project for the manufacture of 360 tonnes of chrome-plated brass fittings for sanitary ware per annum.	
	<i>Director : S. K. Somany.</i>							
77.	M/s. Tufted Carpets & Woollen Industries Ltd., Ghaziabad, Distt : Meerut.	25.00	5.00	—	30.00	309.75	New project for the manufacture of 8.94 lakh square metres of cut and loop pile types of woollen tufted carpets per annum.	
	<i>Proposed Managing Director : P.C. Bhandari.</i>							
78.	M/s. Uttara Khand Glass Works Ltd., Dalmau, Distt : Rae Bareli. (Notified backward district)	25.00	5.00	—	30.00	160.00	New project for the Manufacture of 12,000 tonnes of amber and and white glass bottles per annum.	
	<i>Directors : Kuldip R. Narang, A.L. Sehgal.</i>							
79.	M/s. Willard India Ltd., Sikandrabad Industrial Estate, Distt : Bulandshahr. (Notified backward district)	50.00† 10.01 (DM) 15.54 (£ Sterling)	25.00*	—	100.5	361.11	New project for the manufacture of 1,40,000 per annum of lead acid storage batteries and components.	
	<i>President and Managing Director : K.P. Singh.</i>							

*To be reduced to the extent of IDBI's participation in financing the project.

**Cost of the project accounted for earlier.

†Subsequently reduced to Rs. 30.00 lakhs.

APPENDIX A (contd.)

STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA
FROM THE 1ST JULY, 1973 TO THE 30TH JUNE, 1974

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the project	Financial assistance sanctioned (Gross)						Particulars of the project or purpose for which the assistance was sanctioned
		Loans	Under- writings	Guaran- tees	Total	Cost of the project	8	
1	2	3	4	5	6	7		
WEST BENGAL								
80.	M/s. Agarwal Steel Complex Ltd., Rishra, Distt : Hooghly (Notified backward district)	—	5.00	—	5.00	102.40	New project for the manufacture of 18,000 tonnes of ingots/billets per annum.	
81.	M/s. Eastend Paper Industries Ltd., Bansberia, Distt : Hooghly., (Notified backward district)	12.22	—	—	12.22 (addl.)	19.00	Installation of a rag pulping plant with a capacity of 6/7 tonnes per day.	
	<i>Director : J.M. Jatia (Jatia G.D. Group)</i>							
82.	M/s. Fab Leathers Ltd., Calcutta.	15.00	—	—	15.00	52.00	New project for the manufacture of 27.6 lakh square feet of finished leather, for shoe uppers and garments per annum.	
	<i>Proposed Managing Director : S.P. Murarka.</i>							
83.	M/s. Indian Iron & Steel Co. Ltd., Burnpur, Dist : Burdwan. (Notified backward district)	150.00	—	—	150.00	4294.64	Rehabilitation of the Company's steel works to achieve the rated production level of one million tonnes of ingot steel per annum.	
	<i>Custodian : Arbinda Ray.</i>							
84.	M/s. Kamarhatty Co. Ltd., Kamarhatty, Distt : 24-Parganas.	11.74 (£ Sterl- ing)	—	—	11.74 (addl.)	16.98	Import of five auto- matic Mackop winders with spares.	
	<i>Director : K.K. Kanoria. (Jardine Henderson Group)</i>							
85.	M/s. Textile Processing Corporation of India Ltd., Mirzanagar, Distt : 24-Parganas.	50.00	5.00	—	55.00	451.29	New centralised textile processing house for bleaching, mercerising, dyeing and printing of 1,45,000 metres of textile fabrics, per day.	
86.	M/s. Traco Carbide Ltd., Ikra, Distt : Burdwan. (Notified backward district)	22.00 18.00 (DM)	5.00	—	45.00	350.00	New project for the manufacture of 14,850 tonnes of calcium carbide per annum.	
	<i>Chairman : Dr. P.B. Mukherjee, Managing Director : Deepankar Haldar.</i>							
87.	M/s. Union Jute Co., Ltd., Calcutta. <i>Chairman : S.K. Ghosh, General Manager : B. Mukherjee. (Bird-Heilgers Group)</i>	48.00	—	—	48.00 (addl.)	61.29	Modernisation and bal- ancing of the Company's mill manufacturing carpet backing and hessian fabrics.	
GOA, DAMAN & DIU								
88.	M/s. Maberest Hotels Pvt., Ltd., Panjim Goa. (Notified backward area)	35.00	—	—	35.00	55.00	A new 3-star hotel with 65 rooms.	
	<i>Managing Director : Joao de Deus Vasco Carvalho.</i>							
	Total :	3867.42	286.21	3.67	4157.30	25505.52		
	Amounts sanctioned by way of conversion from one facility to another in respect of assis- tance sanctioned to two concerns in earlier years.	0.16 65.16 (£ Sterling)	—	—	—	—		

Note :—Figures in column 3, unless otherwise stated, represent rupee loans.

APPENDIX B
STATE/TERRITORY-WISE DISTRIBUTION OF NET FINANCIAL ASSISTANCE SANCTIONED
AS ON THE 30TH JUNE, 1974
(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)

State/Territory	No. of projects	Assistance sanctioned					Total	% of the whole
		Rupees loans	Foreign currency sub-loans	Under writings/ Direct subscr- ptions	Guarantees for deferred payments on machinery and for foreign loans			
Andhra Pradesh	40	1738.57	204.29	190.60	925.82	3059.28	6.5	
Assam	8	378.93	115.86	360.00	—	854.79	1.8	
Bihar	31	1677.41	225.51	315.00	329.75	2547.67	5.4	
Gujarat	52	2529.70	422.19	242.71	130.97	3325.57	7.0	
Haryana	34	1142.85	251.91	114.77	19.08	1528.61	3.2	
Karnataka	54	2483.60	290.88	327.50	221.52	3323.50	7.0	
Kerala	19	1063.00	231.46	29.50	172.47	1496.43	3.2	
Madhya Pradesh	16	663.20	94.61	223.25	39.82	1020.88	2.1	
Maharashtra	148	8387.23	1101.43	691.91	375.93	10356.50	22.3	
Meghalaya	1	95.00	—	—	—	95.00	0.2	
Nagaland	1	50.00	—	—	—	50.00	0.1	
Orissa	16	933.24	218.08	85.00	—	1236.32	2.6	
Punjab	15	632.59	168.49	40.00	9.96	851.04	1.8	
Rajasthan	14	805.25	127.97	22.50	786.07	1714.79	3.7	
Tamil Nadu	71	3782.05	569.24	12.88	1231.31	6195.48	13.1	
Uttar Pradesh	62	3000.19	717.59	360.53	353.59	4431.90	9.3	
West Bengal	80	2833.61	677.12	240.00	532.13	4282.86	9.0	
Delhi	3	207.62	45.84	24.75	83.33	361.54	0.8	
Andaman & Nicobar Islands	1	11.00	—	—	—	11.00	—	
Pondicherry	1	52.00	—	—	8.16	60.16	0.1	
Goa	4	285.00	—	75.00	—	360.00	0.8	
TOTAL	671	32752.04	5462.47	3955.90	5219.91	47390.32	100.0	

APPENDIX C

INDUSTRY-WISE DISTRIBUTION OF NET FINANCIAL ASSISTANCE SANCTIONED AS PER THE NATIONAL INDUSTRIAL CLASSIFICATION AS ON THE 30TH JUNE, 1974

(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)

N.I.C. Code Number	Industry Group	No. of projects	Assistance sanctioned					% of the whole
			Rupees Loans	Foreign currency sub-loans	Under- writings/ Direct subscr- ptions	Guarantees for deferred payments on machinery and for foreign loans	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
206	Food products :							
202,210,	—Sugar	114	10446.53	7.86	69.00	—	10523.39	22.2
211,222	—Other food products	4	27.50	3.74	10.90	—	42.14	0.1
231,232,	Textile	106	4404.54	149.13	214.50	306.93	5075.10	10.7
241,244,								
248								
251	Jute manufactures	14	741.06	20.74	—	—	761.80	1.6
270,278	Wood & wood products	5	82.26	106.17	7.00	—	195.43	0.4
280,281	Paper & paper products	32	1432.05	780.77	181.13	551.16	2945.11	6.2
290	Leather products	1	15.00	—	—	—	15.00	—
300 to 303	Rubber products	13	957.78	199.45	79.00	265.61	1501.84	3.2

APPENDIX C (contd.)

INDUSTRY-WISE DISTRIBUTION OF NET FINANCIAL ASSISTANCE SANCTIONED AS PER THE NATIONAL INDUSTRIAL CLASSIFICATION AS ON THE 30TH JUNE, 1974

(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Chemicals & chemical products :								
310 --Basic industrial organic and inorganic chemicals & gases								
311	--Fertilisers	28	1599.30	603.66	204.25	431.36	2838.57	6.0
316	--Synthetic and other manmade fibres	13	1440.00	41.36	395.93	1278.86	3156.15	6.7
316	--Synthetic resins & plastic materials	15	611.00	491.65	124.25	46.02	1272.92	2.7
305, 312, 313,315, 318,319	--Other chemicals & chemical products	9	335.00	234.76	90.00	—	659.76	1.4
		19	309.00	208.59	83.35	—	600.94	1.3
Non-metalllic mineral products :								
321	--Glass & glass products	16	446.38	129.35	48.00	—	623.73	1.3
324,328	--Cement	25	1457.00	348.15	215.89	18.54	2039.58	4.3
320,323, 329	--Other non-matallic mineral products	17	602.90	35.75	63.00	—	701.65	1.5
Basic metal & alloy industries :								
330 to 332	--Iron & steel and ferro alloys	50	2047.55	562.34	573.79	103.26	3286.94	6.9
333 to 336,339	--Non-ferrous metal industry	12	776.95	5.16	308.00	1945.65	3035.76	6.4
340,341, 343,344, 349	Metal Products except machinery and transport equipment	28	545.43	204.01	203.28	62.78	1015.50	2.1
Machinery except electrical machinery :								
350	--Agricultural equipment & parts	7	283.00	50.58	55.50	—	389.08	0.8
351 to 359	--Industrial and other machinery	44	1065.30	549.40	198.70	103.76	1917.16	4.1
360 to 364,369	Electrical machinery apparatus, appliances and parts	37	1053.67	301.05	164.74	—	1519.46	3.2
Transport equipment and parts :								
371,372	--Locomotives, railway wagons and coaches	4	105.00	—	10.00	—	115.00	0.3
374	--Motor vehicles and parts	17	344.58	321.34	186.69	—	852.61	1.8
375	--Motor cycles, scooters and parts	6	298.84	92.27	—	26.95	418.06	0.9
376	--Other transport equipment	3	198.20	8.85	—	—	207.05	0.4
380,382, 385	Miscellaneous manufacturing industries	3	7.10	6.34	—	—	13.44	—
40	Electricity—generation transmission & distribution	6	93.00	—	65.00	—	158.00	0.3
Mining & quarrying :								
100	--Coal mining	3	120.00	—	—	—	120.00	0.3
110	--Crude petroleum and natural gas	1	—	—	350.00	—	350.00	0.7
120,125, 127	--Metal ore mining	3	260.00	—	—	—	260.00	0.6
691	Hotel industry	15	646.12	—	44.00	79.03	769.15	1.6
710	Shipping industry	1	—	—	10.00	—	10.00	—
Total		671	32752.04	5462.47	3955.90	5219.91	47390.32	100.0

APPENDIX D

DISPOSAL OF APPLICATIONS FOR ASSISTANCE

(Rs. Lakhs)

State Territory	No. of concerns from whom applications were pending at the beginning of the year (1-7-73*)	No. of concerns from whom applications were received during the year (1-7-73 to 30-6-74)	No. of concerns who withdrew applications during the year (1-7-73 to 30-6-74)	No. of concerns whose applications were sanctioned (gross) during the year (1-7-73 to 30-6-74)	No. of concerns from whom applications are pending as on 30-6-1974			
	No.	Amount@	No.	Amount@	No.	Amount	No.	Amount@
Andhra Pradesh	2	175.00	9	788.00	—	—	8	230.00
Assam	2	726.48	2†	1055.00	—	—	2†	103.00
Bihar	2	1378.00	6	2314.00	—	—	301.00	2
Gujarat	1	130.00	4	1042.69	—	—	4	271.81
Haryana	1	38.00	9	394.56	—	—	7	209.10
Karnataka	3	20.000	8	2514.74	1	40.00	8	373.55
Kerala	—	—	3	2424.50	—	—	—	3
Madhya Pradesh	1	76.00	1‡	27.00	—	—	1	65.00
Maharashtra	5	996.23	18	3353.26	—	—	15	802.47
Orissa	1	53.65	2	220.89	1	58.65	2	105.32
Punjab	1	233.00	1	348.90	—	—	1	70.00
Rajasthan	—	—	3	1982.50	—	—	1	12.50
Tamil Nadu	3	228.00	13	3417.20	1	8.00	10	525.83
Uttar Pradesh	7	1028.35	14‡	1628.83	1	20.00	14	710.76
West Bengal	2	526.66	8	4812.96	1	76.66	8	341.96
Goa	—	—	2	328.00	—	—	1	35.00
Total :	31	5794.37	103	26653.03	5	203.31	88	4157.30
							40	15549.00

*The number and amount of applications pending at the beginning of the year may not tally with the figures shown in the Annual Report for the previous year due to certain changes made by the applicant concerns.

@Amounts shown above include financial assistance sought jointly with other institutions.

†One of the concerns had another application pending at the end of the year.

‡One of the concerns had an application pending at the beginning of the year.

APPENDIX E

STATEMENT SHOWING INDUSTRY -WISE DISTRIBUTION OF NET FINANCIAL
FINANCE CORPORATION OF INDIA

(After adjustment of

N.I.C. Code Number	Industry Group	Andhra Pradesh	Assam	Bihar	Gujarat	Haryana	Karnataka	Kerala	Madhya-Pradesh	Maha-rashtra
	Food products:									
206	—Sugar	765.00	60.00	191.50	600.50	106.00	936.75	180.00	80.00	4924.20
202,210,211,	—Other food products	—	—	—	—	3.90	—	—	—	—
222										
231,232,241,										
244,248	Textile	360.44	26.17	92.70	525.70	197.23	445.33	41.68	348.96	834.70
251	Jute manufactures	100.00	78.50	34.00	—	—	—	—	—	—
270,278	Wood and wood products	—	100.74	—	7.00	—	—	56.69	—	—
280,281,	Paper and paper products	163.86	133.00	529.97	263.41	54.97	649.80	148.38	—	188.50
290	Leather products	—	—	—	—	—	—	—	—	—
300 to 303	Rubber products	—	—	22.78	—	—	10.00	33.33	—	131.80
	Chemicals and chemical products:									
310	—Basic industrial organic and inorganic chemicals and gases	237.45	—	—	337.17	—	80.00	100.00	—	606.97
311	—Fertilisers	963.29	36.38	—	520.00	—	165.00	306.00	—	31.50
316	—Synthetic and other man-made fibres	—	—	—	497.04	23.00	—	49.20	96.25	143.03
316	—Synthetic resins and plastic materials	162.24	70.00	—	13.22	—	15.00	—	—	294.30
305,312,313,	—Other chemicals and chemical products	—	—	—	10.64	12.00	52.58	82.00	22.38	41.85
315,318,319										
	Non-metallic mineral products:									
321	—Glass and glass products	47.50	—	114.93	—	63.31	1.50	35.00	—	54.83
324,328	—Cement	144.89	—	429.76	142.30	—	48.00	—	329.58	—
320,323,329	—Other non-metallic mineral products	—	—	212.75	70.00	101.98	2.85	—	—	46.00
	Basic metal and alloy industries:									
330 to 332	—Iron & steel and ferro alloys	15.00	—	687.42	—	410.67	117.00	42.36	48.71	977.76
333 to 336,										
339	—Non-ferrous metal industry	—	—	—	—	—	215.00	304.79	—	65.27
340,341,343,	Metal products except machinery and									
344,349	transport equipment	—	—	—	47.00	133.50	—	—	—	107.10
	Machinery except electrical machinery:									
350	—Agricultural equipment and parts	—	—	—	60.00	32.50	—	—	—	83.39
351 to 359	—Industrial and other machinery	5.98	—	87.86	251.59	85.37	77.75	—	40.00	671.11
360 to 364,	Electrical machinery, apparatus,									
369	appliances and parts	—	—	12.00	—	133.95	217.94	117.00	55.00	389.98
	Transport equipment and parts:									
371,372	—Locomotives, railway wagons and coaches	—	—	15.00	—	—	70.00	—	—	—
374	—Motor vehicles and parts	—	—	25.00	—	—	62.50	—	—	479.46
375	—Motor cycles, scooters and parts	11.79	—	—	74.88	—	—	—	—	157.05
376	—Other transport equipment	—	—	—	67.85	—	—	—	—	—
380,382,385	Miscellaneous manufacturing industries	6.34	—	—	—	—	—	—	—	6.20
40	Electricity—generation, transmission and distribution	—	—	—	40.00	—	—	—	—	115.00
	Mining and quarrying:									
100	—Coal mining	—	—	50.00	—	—	—	—	—	—
110	—Crude petroleum and natural gas	—	350.00	—	—	—	—	—	—	—
120,125,127	—Metal ore mining	—	—	—	—	—	100.00	—	—	—
691	Hotel industry	75.50	—	42.00	—	—	24.00	—	—	196.50
710	Shipping industry	—	—	—	—	—	—	—	—	10.00
	TOTAL	3059.28	854.79	2547.67	3325.57	1528.61	3323.50	1496.43	1020.88	10556.50

No. of projects State-wise: (40) (8) (31) (52) (34) (54) (19) (16) (148)

APPENDIX E (contd.)

ASSISTANCE SANCTIONED FOR PROJECTS IN EACH STATE BY THE INDUSTRIAL
UPTO THE 30TH JUNE, 1974

cancellations withdraws)

(Rs. Lakhs)

Meghalaya	Nagaland	Orissa	Punjab	Rajasthan	Tamil Nadu	Uttar Pradesh	West Bengal	Union Territories	Total	No. of projects
—	50·00	205·00	315·00	95·00	1009·44	855·00	—	150·00	10523·39	114
—	—	—	—	—	—	38·24	—	—	42·14	4
—	—	232·88	158·85	347·22	440·89	631·94	290·95	99·46	5075·10	106
—	—	—	—	—	—	—	549·30	—	761·80	14
—	—	—	—	—	—	—	20·00	11·00	195·43	5
—	—	252·08	—	—	10·53	258·23	292·38	—	2945·11	32
—	—	—	—	—	—	—	15·00	—	15·00	1
—	—	—	—	—	302·82	355·77	545·34	100·00	1501·84	13
—	—	29·29	—	—	934·41	249·21	264·07	—	2838·57	28
—	—	—	—	253·98	360·00	445·00	—	75·00	3156·15	13
—	—	—	—	55·80	110·00	298·60	—	—	1272·92	15
—	—	—	—	—	105·00	—	—	—	659·76	9
—	—	—	—	—	129·11	42·25	208·13	—	500·94	19
—	—	—	—	—	—	186·65	120·01	—	623·73	16
95·00	—	100·00	—	50·00	700·05	—	—	—	2039·58	25
—	—	147·07	—	—	3·00	—	118·00	—	701·65	17
—	—	195·00	75·00	—	165·07	377·95	175·00	—	3286·94	50
95·00	50·00	1161·32	548·85	802·00	4270·32	3738·84	2598·18	435·46	36240·05	481
95·00	50·00	1161·32	548·85	802·00	4270·32	3738·84	2598·18	435·46	36240·05	481
—	—	—	—	668·35	1188·50	75·00	518·85	—	3035·76	12
—	—	—	—	78·70	38·00	210·18	401·02	—	1015·50	28
—	—	—	108·19	—	15·00	90·00	—	—	389·08	7
—	—	—	—	—	249·44	40·00	408·06	—	1917·16	44
—	—	—	60·28	192·74	40·88	84·55	94·55	120·59	1519·46	37
—	—	—	—	—	—	—	30·00	—	115·00	4
—	—	—	133·72	—	30·00	101·93	20·00	—	852·61	17
—	—	—	—	—	174·34	—	—	—	418·06	6
—	—	—	—	—	—	—	139·20	—	207·05	3
—	—	—	—	—	—	0·90	—	—	13·44	3
—	—	—	—	—	—	—	3·00	—	158·00	6
—	—	—	—	—	—	—	70·00	—	120·00	3
—	—	—	—	—	—	—	—	—	350·00	1
—	—	75·00	—	—	85·00	—	—	—	260·00	3
—	—	—	—	—	104·00	90·50	—	236·65	769·15	15
—	—	—	—	—	—	—	—	—	10·00	1
95·00	50·00	1236·32	851·04	1741·79	6195·48	4431·90	4282·86	792·70	47390·32	671
(1)	(1)	(16)	(15)	(14)	(71)	(62)	(80)	(9)	(671)	

APPENDIX F

STATEMENT SHOWING THE TOTAL INSTALLED CAPACITY AND INDUSTRIAL PRODUCTION IN THE COUNTRY IN SELECTED INDUSTRIES DURING THE YEAR 1973 AND THE CONTRIBUTION THERETO BY THOSE CONCERN'S ASSISTED BY IFCI FROM WHOM LOANS ARE OUTSTANDING

Industry	Output Unit	No. of Units	Total for the country			In respect of reporting concerns assisted by IFCI			
			Installed capacity	Production	%age utilisation	No. of Units	Installed capacity	Production	%age utilisation
1	2	3	4	5	6	7	8	9	10
1. Chemicals & Chemicals Products									
—Sulphuric Acid	M.T. Thousand	68	2112	1431	67.76	1	20	17	85.00
—Hydrochloric Acid	-do-	26	128	90	70.31	2	56	15	26.79
—Caustic Soda	-do-	29	439	405	92.26	4	109	49	44.95
—Liquid Chlorine	-do-	22	268	150	55.97	4	74	37	50.00
—Soda Ash	-do-	4	508	473	93.11	2	271	278	102.58
—Ethylene	-do-	2	75	74	98.67	1	60	54	90.00
—Benzene	-do-	10	94	70	74.47	1	14	13	92.86
—Butadiene	-do-	1	7	6	85.71	1	7	6	85.71
—Ethylene Oxide	-do-	1	12	11	91.67	1	12	11	91.67
—Ethylene Glycol	-do-	1	10	8	80.00	1	10	8	80.00
—Polyethylene Glycol	-do-	1	1	0.8	80.00	1	1	0.8	80.00
—Dichloroethane	-do-	1	50	37	74.00	1	50	37	74.00
—Isopropanol	-do-	1	1.5	1.5	100.00	1	1.5	1.5	100.00
—Diacetone Alcohol	-do-	2	4.8	3.7	77.08	2	4.8	3.7	77.08
—Methyl Isobutyl Ketone	-do-	1	3.7	1.3	35.14	1	3.7	1.3	35.14
—2-Ethyl Hexanol	-do-	2	12	8	66.67	1	8	6	75.00
—Phenol	-do-	2	17	13	76.47	1	13	12.6	96.92
—Phthalic Anhydride	-do-	3	12	4	33.33	1	6	0.2	3.33
—Styrene	-do-	2	14	15	107.14	1	10	3	30.00
—P.F. Moulding Powder	-do-	3	6	5	83.33	1	2.4	2.1	87.50
—P.V.C. Resins	-do-	5	63	49	77.78	1	14	7.5	53.57
—H.D. Polyethylene	-do-	1	20	23	115.00	1	20	23	115.00
2. Fertilisers									
(a) Nitrogenous	M.T. Thousand	23	1939	1050	54.15	2	317	228	71.92
(b) Phosphatic	-do-	34	500	315	63.00	1	13	4	30.77
3. Cement									
4. Paper & Paper Board									
5. Rubber Products									
—Automobile Tyres	No. Thousand	9	5455	4840	88.73	4	1565	1190	76.04
—Automobile Tubes	-do-	9	4763	4685	98.36	3	1620	1362	84.07
—Bicycle Tyres	-do-	17	28047	18660	66.53	1	5000	2801	56.02
—Bicycle Tubes	-do-	16	27107	13660	50.39	1	5000	1931	38.62
6. Cast Iron Castings etc.									
—Cast Iron Castings	M.T. Thousand	53	351	183	52.14	3	13	8	61.54
—Steel Castings	-do-	44	150	70	46.67	4	22	13	59.09
—Steel Pipes & Tubes	-do-	15	1111	370	33.30	4	336	97	28.87
—Ball and Roller Bearings	No. Lakhs	7	226	280	123.89	2	51	41	80.39
7. Machinery									
—Agricultural Tractors	Nos.	8	45000	23497	52.22	1	6000	2824	47.07
—Power Tillers	-do-	3	4500	747	16.60	1	2500	542	21.68
8. Electrical Machinery and Apparatus :									
—Electric Motors	HP Thousand	33	5460	3030	55.49	2	1280	935	73.05
—Transformers	KVA Thousand	35	16780	12120	72.23	2	2400	1589	66.21
—Dry Cells	Million Nos.	11	1144	720	62.94	1	130	119	91.54
—PILC Power Cables	Kilometres	11	21309	15000	70.39	2	6832	3609	52.82
9. Automobile Industry									
—Motor Cycles					49			30	
—Scooters					76			28	
—Three Wheelers	No. Thousand	12	218	11	74.31	8	119	8	65.54
—Mopeds & Scooterettes					26			12	
10. Bicycles (complete)									
11. Cotton Textiles									
—Yarn	Kg. Lakhs		184.89	9982	—		14.22	729	—
			*689 (Lakh Spindles)				**54 (Lakh Spindles)		
—Cloth	Metre-Lakhs		2.06	41689	—		0.09	1583	—
			(Lakh Looms)				(Lakh Looms)		
12. Sugar									
—Co-operatives	M.T. Lakhs	90	17.35	@15.33	88.36	50	9.33	8.07	86.50
—Others	-do-	154	25.35	@23.81	93.92	4	1.08	0.95	87.96

Note : 1. Information in Columns 3, 4 and 5 is based on the Reports of the Ministries of Industrial Development, Heavy Industry, Petroleum and Chemicals, Guidelines for Industries 1974-75 (for Automobile Industry) and the information obtained from the Office of the Textile Commissioner, Bombay the Directorate of Sugar and Banaspati and the National Co-operative Development Corporation. Figures of Fertilisers and Automobile Industry pertain to 1973-74.

2. Information in columns 7, 8 and 9 is based on replies to the Corporation's questionnaire received from its assisted units.

*Includes 288 Composite Mills. @Production as on 15-8-74 for the Season 1973-74 (Provisional).

**Includes 9 Composite Mills.

APPENDIX G

SIZE-WISE DISTRIBUTION OF NET FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA AS ON THE 30TH JUNE, 1974

(According to amounts sanctioned for each industrial concern)

(Rs Lakhs)

No. of Concerns	Co-operatives			Limited Companies				Total				
	No. of concerns	Loans	Underwritings / Direct subscriptions	Guarantees for deferred payments on machinery & for foreign loans	Total	No. of concerns	Loans	Underwritings / Direct subscriptions	Guarantees for deferred payments on machinery & for foreign loans	Total		
1. Amounts not exceeding Rs. 10 lakhs	—	—	84	261.94	232.15	—	494.09	84	261.94	232.15	—	494.09
2. Amount exceeding Rs. 10 lakhs but not exceeding Rs. 20 lakhs	1	20.00	48	571.42	171.38	—	742.80	49	591.42	171.38	—	762.80
3. Amount exceeding Rs. 20 lakhs but not exceeding Rs. 30 lakhs	3	75.20	40	923.10	127.70	3.71	1054.51	43	998.30	127.70	3.71	1129.71
4. Amounts exceeding Rs. 30 lakhs but not exceeding Rs. 40 lakhs	14	513.50	49	1453.06	276.50	36.38	1765.94	63	1966.56	276.50	36.38	2279.44
5. Amounts exceeding Rs. 40 lakhs but not exceeding Rs. 50 lakhs	7	323.00	53	2076.20	339.22	38.68	2454.10	60	2399.20	339.22	38.68	2777.10
6. Amount exceeding Rs. 50 lakhs but not exceeding Rs. 60 lakhs	9	508.75	36	1867.74	142.89	—	2010.63	45	2376.49	142.89	—	2519.38
7. Amounts exceeding Rs. 60 lakhs but not exceeding Rs. 70 lakhs	6	388.00	27	1567.62	140.00	58.75	1766.37	33	1955.62	140.00	58.75	2154.37
8. Amounts exceeding Rs. 70 lakhs but not exceeding Rs. 80 lakhs	11	850.0	25	1554.39	260.24	82.94	1897.57	36	2404.39	260.24	82.94	2747.57
9. Amounts exceeding Rs. 80 lakhs but not exceeding Rs. 90 lakhs	30	2645.81	14	1083.36	94.53	31.28	1209.17	44	3729.17	94.53	31.28	3854.98
10. Amounts exceeding Rs. 90 lakhs but not exceeding Rs. 1 crore	9	893.00	14	1274.56	75.50	10.60	1360.66	23	2167.56	75.50	10.60	2253.66
11. Amount exceeding Rs. 1 crore	31	4888.39	93	14475.47	2095.79	4957.57	21528.83	124	19363.86	2095.79	4957.57	26417.22
TOTAL	121	11105.65	483	27108.86	3955.90	5219.91	36284.67	604	38214.51	3955.90	5219.91	47390.32

APPENDIX H
TERMS OF CONCESSIONAL FINANCE

(as on the 30th June, 1974)

With a view to providing greater inducement to entrepreneurs to spread out in relatively under-developed areas in the country, the Industrial Finance Corporation of India (IFCI), in supersession of its earlier announcements made in July 1970 and January 1972, has decided to liberalise and enlarge the scope of the scheme of financial assistance on concessional terms to industrial projects in such areas. The scheme would now cover all industrial projects—new, expansion or rehabilitation in the corporate as well as co-operative sectors, irrespective of their capital cost. The principal features of the revised scheme of concessional finance for units in identified under-developed districts/areas would be as under:

1. Location:

All industrial projects located/to be located in the districts in the various States or Union Territories selected for such assistance by the Central Government from time to time would be eligible for assistance on concessional terms.

2. Scope of the Scheme:

Concessional finance would be extended to all projects—new and expansion both in the corporate (limited companies) as well as co-operative sectors. Concessional terms would also be made applicable to assistance granted by the Corporation by way of rehabilitation finance to units located in notified under-developed districts on the same basis as applicable to new and expansion projects.

3. Ceiling on Assistance:

The overall ceiling in respect of loans extended on concessional terms from the Corporation individually, unless other institutions also participate and extend concessional finance upto Rs. 2.00 crores on a pro rata basis, has been fixed at Rs. 1.00 crore. The sum of Rs. 1.00 crore would, however, include outstanding rupee assistance, if any, already granted on concessional terms. Underwriting assistance from the term financing institutions including the Corporation would be made available at concessional terms upto a ceiling of Rs. 1.00 crore in the aggregate, irrespective of the cost of the project.

4. Terms:

(i) Rate of interest

As against the normal current rate of interest on rupee loans at 9½% and on foreign currency loans at 10% (with a rebate of ½% for punctual payments of instalments of interest and principal) lower rate of interest viz., 8% and 9½% respectively (with a rebate of ½%) would be charged under the scheme.

(ii) Period of repayment of loans

The Corporation's normal practice is to allow initial moratorium upto 3 years to an assisted concern before the repayment of the principal amount of the loan commences. In the case of undertakings in the under-developed areas, this period would be extended upto five years from the date of first disbursement of the loan, on a case to case basis, having regard to the projections of profitability and ways and means position of a concern. Likewise, against the normal period allowed for repayment of loans, the period in the case of projects coming up in under-developed areas may be extended on the merits of each case having regard to the concern's profitability potential and cash flow position.

(iii) Promoters' contribution and equity-debt ratio

A lower contribution than usual by promoters to the total project cost and somewhat liberal equity-debt ratio would be considered on the merits of each case having regard to the financial status and standing of the promoters, gestation period of a particular project, its profitability potential and other relevant factors.

(iv) Participation in equity and preference capital

Depending on the merits of each case, the Corporation would be prepared to consider participation by way of underwriting or otherwise in the share capital of an industrial concern located in under-developed areas as to a greater extent as compare to projects located elsewhere.

(v) Reduction in other charges

In the case of Rupee Loans, 50% reduction would be made in the Corporation's normal charges in respect of commitment charge, non-refundable examination fee for processing of applications and legal charges. Fifty per cent reduction would also be made in the Corporation's normal charges in respect of underwriting commission.

INDUSTRIAL FINANCE CORPORATION OF INDIA
OFFICERS OF THE CORPORATION
HEAD OFFICE

PRINCIPAL OFFICERS

Chairman
C. D. Khanna
General Manager
Baldev Pasricha
Dy. General Manager
R. B. Mathur
Asstt. General Manager
M. S. Nagrath
Chief Accountant
N. P. Chakraborty
Legal Adviser
T. M. Sen
Deputy Legal Adviser
A. K. Ghose
Technical Adviser
Dr. M. P. Khera
Chief Technical Officer
P. S. Gurung

PROJECT DEPARTMENT

Managers
W. N. Kapur
A. N. Sehgal
Asstt. Managers
R. K. Arora
V. P. Kamath
M. V. Kulkarni
R. N. Nayyar
R. Subramanian

ADVISORY SERVICES DEPARTMENT

Sr. Technical Officers
L. C. Arora
S. P. Banerjee
S. P. Gupta

P. Brahmachari
P. S. Gill
K. C. Hukmani
A. S. Khurana
P. N. Mehrotra

Managers
S. K. Bhattacharya
S. R. Guruswamy
Technical Officers
M. G. Chaturvedi
B. K. Malhotra
N. K. Sawhney
S. Sundararajan

LEGAL DEPARTMENT

Senior Law Officer
L. D. Mundkur
Law Officers
B. N. Banerjee
S. S. L. Gupta
S. L. Mitra

FOREIGN CURRENCY LOANS DEPARTMENT

Asstt. Manager
G. Viswanathan

INTERNAL AUDIT DEPARTMENT

Manager
M. N. Khushu
ECONOMIC AND PLANNING DEPARTMENT
Manager
Dr. J. C. Rao
Asstt. Managers
K. G. Bhatia
Krishna Ramanujam
ADMINISTRATION DEPARTMENT

Manager
D. G. Ramaiah
ACCOUNTS DEPARTMENT

Manager
H. Chaudhury
BOARD AND COORDINATION DEPARTMENT
Asstt. Manager
V. K. Thirupod

STATISTICS DEPARTMENT
Manager
V.S.R.K. Sastry
Asstt. Manager
G. Narayananamoorthy

PERSONNEL DEPARTMENT
Personnel Manager
N. Krishnaswamy
Personnel Officer
M. L. Kapoor

OTHER OFFICES

BOMBAY
Regional Manager
I. S. Nangia
Sr. Technical Officer
S. K. Rishi
Sr. Law Officer
B. M. Shah
Asstt. Manager
M. M. Menon
Technical Officers
V. S. Gupta
R. L. Shangari
R. L. Srivastava
Law Officer
Sidheswar De

CALCUTTA
Regional Manager
R. N. Sahoo
Sr. Technical Officer
F. M. Patnaik
Sr. Law Officer
S. K. Mitra
Asstt. Manager
G. S. Saxena
Technical Officers
Chandidas Ghosh
P. K. Sen Gupta
Law Officer
P. K. Ghosh

MADRAS	<i>Sr. Technical Officer</i> J. P. Sharma
<i>Regional Manager</i> P. S. Gopalakrishnan	<i>Law Officer</i> M. R. Rao
<i>Asstt. Manager</i> V. Ramachandran	
<i>Technical Officer</i> K. K. Garg	BHOPAL
<i>Law Officer</i> P. S. Balasubramanyam	<i>Officer-in-Charge</i> B. P. Mishra
AHMEDABAD	BHUBANESWAR
<i>Manager</i> S. K. Jain	<i>Officer-in-Charge</i> M. R. Ganapathy Rao
<i>Technical Officers</i> R. C. Modi R. S. Sharma	CHANDIGARH
<i>Law Officer</i> C. P. Bhan	<i>Officer-In-Charge</i> S. M. Sirsikar
DELHI	COCHIN
<i>Manager</i> L. N. Jadhvani	<i>Officer-in-Charge</i> C. D. Reddy
<i>Asstt. Manager</i> S. M. Tulsiani	GAUHATI
<i>Law Officer</i> B. M. Dhar	<i>Officer-in-Charge</i> K. Radhakrishna
<i>Technical Officer</i> G. D. Narang	JAIPUR
BANGALORE	<i>Officer-in-Charge</i> R. R. Rao
<i>Manager</i> H. C. Sharma	KANPUR
<i>Law Officer</i> H. K. Ramiah	<i>Officer-in-Charge</i> H. P. Gupta
HYDERABAD	PATNA
<i>Manager</i> M. L. Chopra	<i>Officer-in-Charge</i> K. Chelliah
	POONA
	<i>Officer-in-Charge</i> Dr. N. M. Mohapatra

OFFICERS ON DEPUTATION WITH OTHER INSTITUTIONS

- (1) D. N. Davar—Regional Manager—With Management Development Institute.
- (2) R. K. Sharma—Technical Officer—With Government of Iraq.
- (3) K. K. Kathuria—Technical Officer—With Punjab Financial Corporation.